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THE SOCIAL SYSTEM.

EDINBURGH:
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THE
SOCIAL SYSTEM:

A TREATISE

ON

THE PRINCIPLE OF EXCHANGE.

BY JOHN GRAY.

The Economist is not to frame systems and devise schemes for increasing the wealth and enjoyments of particular classes, but to apply himself to discover the sources of national wealth and universal prosperity. — M'Culloch.

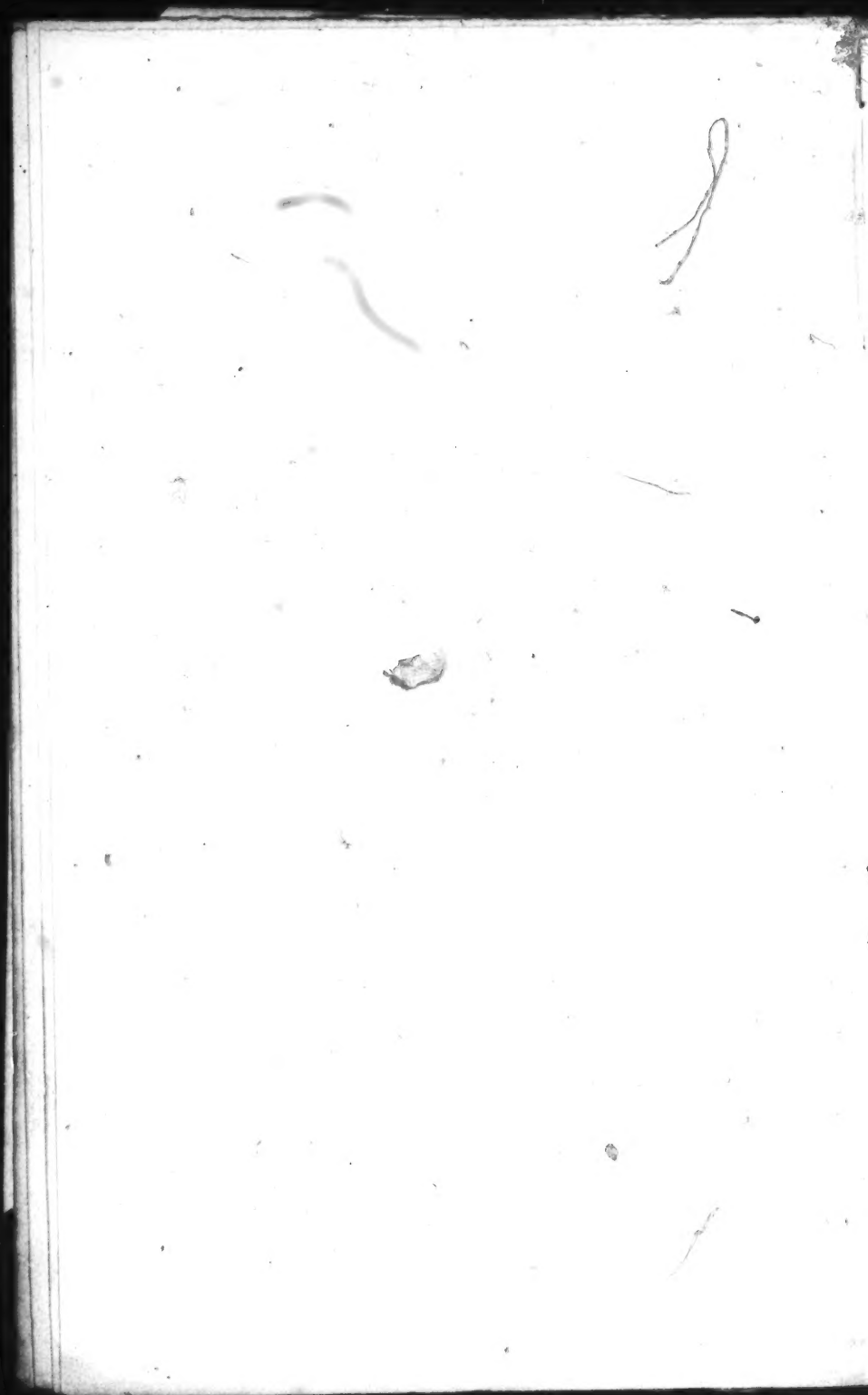
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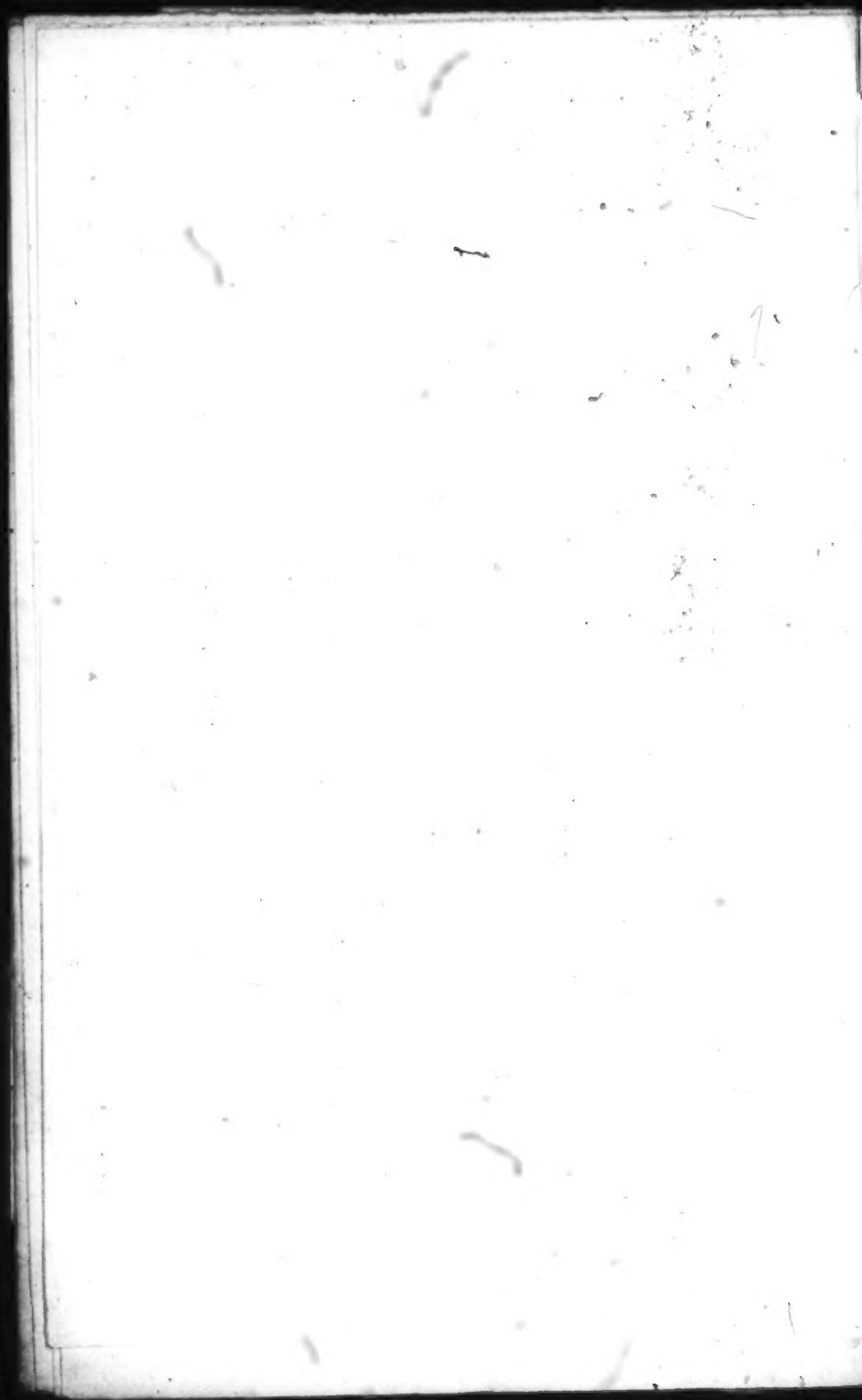
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TO
THOSE WHO CAN DISTINGUISH
TRUTH AND JUSTICE
FROM
RECEIVED OPINION AND ESTABLISHED CUSTOM;
AND WHO ARE WILLING
TO ASSIST IN THE ESTABLISHMENT OF SUCH PRINCIPLES
AS ARE BEST CALCULATED TO
ADVANCE THE CHARACTER AND IMPROVE THE CONDITION
OF
THE WHOLE HUMAN RACE,
THIS VOLUME
IS MOST RESPECTFULLY INSCRIBED.

441695



PREFACE.

A LONG period has elapsed since my mind was first impressed with the belief that there exists in the heart and vitals of society some deeply rooted but concealed disease; and continued reflection upon the subject, has only tended to confirm and strengthen the opinion.

A notion appears to prevail amongst mankind, that there exists in our Social System a self regulating principle, and that the stream of commerce, like that of water, only requires to be let alone to find its own level, and to flow on smoothly and prosperously. Ten years ago, I doubted, and I now deny, the existence of any such principle. I also deny the *possibility* of effectually removing the distresses of this country, by any other means whatever than those of association in the employment of capital; and I affirm, that by such association, under well digested principles, and with an improved plan of exchange, unmerited poverty

may be removed, commercial difficulties of every denomination annihilated, and individual, as well as national, prosperity, established upon an ample and imperishable basis.

At an early period of my life I committed to paper the opinions I then entertained upon this subject, and sent the manuscript to the most intelligent friend I then, or have ever since, had, requesting the favour of a perusal, and of an opinion of the work; and here is a verbatim copy of his reply:—

“ I had intended, as I was requested, to make a few observations upon this work, and I have waded through it with the view of doing so; but after perusing the third chapter of the last part, [the work was then divided into three parts,] “ I am convinced that any observations would be a mere waste of time. I should advise that the book be put into any kitchen fire large enough to consume it.”

My friend's verdict was certainly neither very complimentary nor encouraging: I had, however, but little disposition to act in accordance with his advice, and as it was quite evident that he had not understood the opinion which was intended to be stated, owing, perhaps, to the obscurity of the language, I endeavoured to console myself with the hope that, at some future period, I might be able to state my views in a more clear and intelligible manner; and I trust that I have now done so.

Some time afterwards, I re-wrote and published a part of the said work in the form of a lecture, of

which a few hundred copies were sold immediately, and the rest were put into the hands of a London publisher, who failed shortly afterwards, and from that hour to this I have never accurately ascertained what became of them. The pamphlet I allude to was afterwards reprinted in Philadelphia, where an edition of a thousand copies was rapidly sold off.

My reason for giving publicity to the foregoing statement now is to admit the justice of my friend's criticism, so far as related to the propriety of publishing the work in the condition in which it then was; and as that portion of it, which was afterwards printed, was not, in any instance, so far as I know, advertised, and as no other means, save only the issuing of a few prospectuses, were taken to bring it before the public, I have here quoted, without the accustomed marks, the very few sentences it contained, which I now think worthy of preservation.

Whilst, however, I am not anxious to rescue from oblivion the aforesaid pamphlet, which, by the way, was merely an introduction to the present subject, and contained no attempt to explain how matters might be improved; let it not be supposed that I imagine the present work to be at all free from the same faults. Fully occupied, from a very early age, with the active business of life, I have had no opportunity of acquiring those literary qualifications, which, in this fastidious age, are so essential to accomplished authorship. But these, however undoubtedly important, are not, in the present instance, indispensable. The poet, or the

novelist, must be rich in words as well as in thoughts, ere he can be successful ; but in mere matters of opinion, a plain man can generally tell his mind in his own way : indeed, most men in the present day can put thoughts into language sufficiently well to be understood ; and, as the object of this little work is not to please the imagination, but to assist the judgment, to be understood is all, as a literary composition, that it aspires to.

A lapse of several years, since the subject of the commercial interests of nations first occupied my mind, during which I have undergone a very full share of bodily exertion, as well as of mental anxiety and affliction, has, I trust, done something towards abating the enthusiasm of a mind naturally confident and sanguine ; but additional thought, reflection, and experience, have only tended to confirm my belief, that in the commercial affairs of society there is a tremendous evil, resembling, not the decrepitude of old age, which can merely be assisted with the crutch, but rather the thorn, which only requires to be plucked from the foot of youth to restore him to vigour and activity. The opinions here stated are substantially the same as those which I entertained many years ago, but they are now for the first time published.

One word of apology for the style. Boldness of assertion, full confidence in their own opinions, and disregard of those of other men, are the common faults of inexperienced writers ; and they are amongst mine. I find it, however, much easier thus freely to express myself, than to ape a more

subdued and refined style which is not natural to me. The book may be injured by my inability to correct these faults. But for the theory therein registered, no such apology is offered : it has been forced into my mind by a constant and long continued intimacy with the world of business : it is here reduced to a digested and systematic form, after an attentive examination of what others have written upon the same subject, and if it cannot stand the test of the severest fire that can be opened upon it by the most accomplished and unrelenting politician, or political economist, and receive the bullets like an iron target, merely to lay them flattened at its feet, I shall not long be found to remain its advocate.

EDINBURGH, 14, BRANDON STREET,

October, 1831.

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THE SOCIAL SYSTEM.

CHAPTER I.

Introductory—Difficulties of the subject—Individual engagements—
General distaste for the study of Social Science—Necessity of
adapting parts to each other, so as to form a symmetrical whole—
General disbelief in the possibility of substantial improvement, a
serious obstacle to it—Favourable circumstances of the present
times—Theory and practice—Miscellaneous observations.

PERHAPS there are but few tasks more uninviting than that which is undertaken by the man who addresses his fellow creatures upon the subject of their collective prosperity. Mankind, in general, are so fully occupied with their respective individual affairs, that it is next to impossible to withdraw their attention from them for ever so short a period; whilst the exceptions to this rule

are either taken up with some favourite theory of their own, or else are so well satisfied with things as they are, that no change is likely to be any improvement in their estimation.

And it unfortunately happens, that the study of Social Science has long retained the character of being one of the most dry and uninteresting of pursuits. Thus, whilst there appears to be nothing too insignificant to command the industry of mankind, in cases where immediate advantage to the individual is the expected result, but few persons are found willing to trouble themselves with investigating the principles upon which the aggregate of human affairs is proceeding or should proceed.

A little reflection, however, should convince us, that it is not merely by apparent excellence in the various parts of the machinery of society, that the whole can, with any degree of certainty, be made perfect. Each part may, in every other respect, be good, but if it be found to want the quality of being properly proportioned, and adapted to every other, we have no reason to be surprised if the result be unsatisfactory: and it is by no means wonderful, that a society, possessing most of the elements of prosperity, should be struggling with adversity, unless we are well

assured that its operations are conducted upon right principles.

Another obstacle to improvement, of a very serious description, is the common disbelief in the possibility of it. The public mind has never yet contemplated a state of prosperity beyond good wages and a brisk trade. It appears to have no conception that any change is necessary beyond parliamentary reform, free trade, and a sweeping reduction of the taxes. It appears, in fact, to be of opinion, that the general plan of society is founded upon some immutable basis, some unalterable law of nature, and that, therefore, to purge it of a few corruptions, is all that is necessary to make it go on smoothly, and as well as we have any right or reason to expect.

But this is a fatal error—a disease as dreadful as it is extensive; it is the paralysis of society, which benumbs and deadens all our exertions, and renders us the willing slaves of a condition which we possess the power of improving in a most extraordinary degree.

There are, however, some favourable features in the present aspect of things. Much, from which great benefit was, at a former period, expected to arise, has already been done, but no beneficial change has taken place. War has been succeeded by a lasting

peace ; the taxes have been reduced ; the acts of government have been distinguished for their liberality, and the desire to do good, has been and is abundantly exhibited : but there is still no sign of substantial improvement ; distress and dissatisfaction continue to prevail, and the existence of danger cannot be altogether denied. Neighbouring nations are involved in no less trouble. Revolution and bloodshed, the result, no doubt, for the most part, of oppression and misgovernment, are bad evidences of the existence of general prosperity and happiness.

But this condition of things is not altogether without its advantages. Disappointed in its past hopes and expectations, the public mind will ever be upon the alert to discover new sources of evil, and new causes of dissatisfaction ; for, in spite of the experienced misery of ages, the world still seems to entertain an indefinite opinion that things are not exactly as they should be, that the age of improvement may ultimately arrive ;— and it will do so.

Confidence, too, in any particular set of men or of opinions, cannot be very great in a state of society wherein men of established reputation for talent and integrity, and having equal access to the best sources of

information, are found to agree in almost nothing ; one party contending for free trade, another protesting against it ; one being for economy and retrenchment, whilst another insists that taxes are a positive good ; one would abolish machinery, whilst another is enthusiastic in its praise ; one is for gold, another for paper ; and, in short, there is no unanimity : the first principles of social science are not agreed on, and the battle-field of political contention is still undeclared to have been won by any man.

But this state of things cannot last much longer. Knowledge, ever silently but certainly progressing in the human mind, must ultimately prevail, and when but a fraction of the talent that is at present devoted to the improvement of the various parts of the social system, shall be applied to the regulation of the whole, the numerous existing political anomalies will vanish like so many shadows, and the condition of society will become as intelligible as a question in the rule of three.

We have nearly all the materials necessary to ensure prosperity, and what we chiefly want, is a controlling and directing power by which the various parts of our commercial system may be so fitted and adapted to each

other as to produce a harmonious instead of an incongruous whole ; and whenever such a power shall be established upon right principles, we shall cease to pine away our existence in unavailing complaints, and to declare that poverty and wretchedness are ever to be the lot of man. We shall see the population of this country in a state of comparative ease and affluence, with far less astonishment than we recently experienced, at seeing the public of Liverpool and Manchester, flying over space at the rate of thirty miles an hour ; and the greatest cause of astonishment will then be, that we have so long been blind to our own interest, and to the *chief cause* of national difficulty and distress.

The present is a peculiarly favourable period for a complete reform in the commercial arrangements of society. The government is liberal, and will encourage it ; the higher and middling classes are as much embarrassed as any other,—it would be their interest to assist in promoting it ; and the people, enlightened as they have been of late by the general spread of education, cannot much longer be in doubt as to the course they should pursue.

In entering upon the consideration of what are the best means of improving the condition

of society, it is desirable that we should divest our minds, as much as possible, of the belief, that there are any fixed and immutable laws of commerce. It is the business of society to make such laws as are calculated to produce the best results, not to explore those which the accumulated ignorance of ages has entailed upon us. It is not so much what is, as what ought to be, which is the legitimate object of the political inquirer; and, therefore, we may safely dismiss, as of little practical value, all those theories, the chief object of which is to explain how, according to the existing principles of commerce, the business of life can be best conducted. The principles themselves, it will be here contended, are founded in the deepest error, and a reformation must take place, from the root upwards, before we can enjoy those blessings which could never fail to spring from the rational appropriation of the inexhaustible resources with which nature has supplied us.

It is already objected, perhaps, from what has been said, that this is merely some new theory; and forthwith follows the trite remark, that "theory and practice are very different things." The truth, however, is, that that which is right in theory, can never be wrong in practice. Theory and practice are very

much like multiplication and division : they prove each other. The omission of some fact, or incorrect reasoning upon the facts before us, may lead us to look for a result different from that which is experienced ; but it is, nevertheless, invariably true, that that which is really true in theory is true also in practice.

An engineer can ascertain whether he has taken a correct drawing of a machine, by calculating the result on paper ; for, if it does not correspond with the reality which he may have seen in operation, he knows at once that he must have committed an error in making his drawings. A case in point may be mentioned. A person was recently employed in Edinburgh to take a copy of a machine, for the purpose of giving an estimate of its value. Having performed his work, he took the drawings to his house, and the next day he mentioned to the person that employed him, that he *must* have miscopied some part of the machine, because the result on paper was not the same as that which he had seen in practice : and this, upon another examination, proved to be true ; he had miscounted the teeth of one of the principal wheels.

And so it is with theories of every kind. We may overlook this, or miscalculate that,

and when our projects are brought to the test of experiment, the result will be different from what we expect ; but, if it prove so, we may rest assured, that on paper there is an error exactly corresponding with the difference that is found in practice. Were it, indeed, otherwise, it would be impossible to *describe* any thing, for theory is merely another name for description ; and if a true theory, that is, a correct description previous to existence, will not invariably give the result it promises when completely understood, it must be equally impossible to give a description of any thing, even after it exists, which can be at all relied upon.

It is exceedingly difficult, no doubt, in endeavouring to investigate so vast a subject as the commercial affairs of nations, to be at all certain that every thing has been duly considered, and that to every division of the subject has been given its relative weight and importance ; and we may be sure, that if an age were to be spent in endeavouring to perfect a theory on paper, improvements and alterations would rapidly suggest themselves whenever we should attempt to reduce the theory to practice. But this is not a sound reason for objecting to theories, for, upon the same principle, we might object to

every thing which is susceptible of improvement.

In forming an opinion of the means by which it is about to be submitted, that the commercial difficulties of nations may be entirely removed, the reader is requested to bear in mind, that I do not propose to introduce a few new springs or wheels into an old and broken down machine, for the purpose of mending it,—in which case, the utility of the said springs or wheels would require to be considered, with reference to the remaining parts of the machine to which they would have to be applied; but I dismiss entirely the machine itself, as ill-constructed, complicated, unmendable, and of no value whatever, excepting, indeed, that the materials of which it is composed are, for the most part, good, and capable, by reconstruction, of being converted to very useful purposes.

The plan of society here to be described, must be considered separately and distinctly from that which now exists. Part cannot always be compared with part, because there is little affinity between them. We must take each as a whole, and, judging of the effects that it is calculated to produce, award the palm to that which shall be found best to deserve it.

This distinction is necessary, because, if we

take a part of the social system, and try to apply it to the unsocial system, it will be like trying to add an additional wheel to a machine already finished: there will be no place for it. And, on the other hand, if we attempt to apply the cumbrous, complicated, and unwieldy parts, of which the existing plan of society is composed, to the new one proposed to be substituted for it, then it will be found that a great number of these parts are altogether superseded, and consequently of no use whatever.

Another error which it is desirable to guard against, and more particularly because it is a very common one, is the habit, into which men of all denominations are very liable to fall, of judging of every thing by looking merely at the proposed result, and if it happens to be very different from any thing that they have ever supposed to be possible, that is argument enough to satisfy them that it is impossible. For example, if Mr Stevenson, the engineer, had announced to the world, that he intended shortly to travel the distance of a statute mile, within the space of a couple of minutes, in a vehicle of several tons weight, carrying within itself the power by which it was to be so rapidly propelled, it is more likely that he would have been thought a

madman than a rational being. The result proposed to be attained would have been sufficient to ensure him the appellations of visionary and enthusiast. Yet this miracle of modern days has been actually performed, and, being performed, men cease to wonder, because they see *how* it is done ; and, finding that the means, in reason as well as in fact, are equal to the attainment of the end, the miracle proves to be nothing more than the natural consequence of certain principles and combinations, which, had they been understood in the first instance, would have prevented the wonderment altogether.

Now it certainly does not follow, because a miracle has lately been performed upon a rail-road, that another miracle is about to be performed in social science ; nor is any such conclusion intended to be drawn : but it may be remarked, that the imagination has so frequently been left in the distance by reality, that our judgment of propositions would frequently be much more correct in the first instance, if we could always bring our minds to the investigation of them, rather with the belief that nothing is impossible, than that every thing is impossible, the like of which we have never seen : and, therefore, in considering the proposition now submitted, a correct

opinion of it will be more easily formed by dispassionately examining whether the means are equal to the end proposed to be attained, than by indulging in vague and unsupported conjectures that the end is unattainable by any means.

In most cases, truth is ultimately arrived at with much greater certainty, by an obstinate adherence to principles in themselves obviously right, than by allowing the mind to be withdrawn from them by the occasional difficulty of reconciling them with existing facts, or by the innumerable ifs and buts, which are so abundantly used in controversial writings, for the purpose of turning black into white. It is, for example, a fixed principle of human action, to attain the objects of our desires as easily as we can. Thus we walk to a place by the nearest road; if there are many modes of doing a thing, we choose the easiest that we know of and can perform: no man offers more money for an article than is demanded for it; and thus, facility and advantage are almost synonymous terms. To obtain what we require, therefore, as easily as we can, is clearly a law of our nature, which never can be altered, and never can be wrong.

It may indeed be said, that a man does not always go the nearest way to a place. He

may be induced to go a considerable way round, *because*, &c. But this single word *because*, proves that he has two objects in view, instead of one. He may not go the nearest road, because it is dirty, or dangerous, or disagreeable, or he may intentionally prolong his walk, for the sake of walking. But in all these cases, there is obviously a double purpose to be served, and he still acts, therefore, upon the invariable principle of attaining his object as easily as he can.

Apply this rule to practice. The effect of machinery is to abridge labour ; to spin cotton, for example, more easily than by any hand process. To use machinery, therefore, for the purpose of producing what we require, must be for ever right, because, to do so is to obey one of the most obvious laws of our existence. And here we should take our stand, caring neither for the ifs, nor for the buts, nor for the apparent contradictions ; and if it be demonstrated, that poverty and distress are the undeniable consequences of erecting and using a machine, then that demonstration proves one thing besides, namely, that there is a tremendous error somewhere else.

The doctrine of excesses is quite inapplicable to this subject. To eat and drink is to

obey a law of nature: to eat and drink to excess is to disobey it. But there can be no such thing as excess of obedience to the laws of nature; and, to supply our wants as easily as we can, is as clearly a law of nature, as to walk with our feet, or to speak with our tongues.

CHAPTER II.

Definition — The principle stated, explained, and its importance insisted on — Land, labour, capital, and freedom of exchange, are the four ingredients of which wealth is composed.

THE specific object of these pages is to state, to prove, to exemplify, and to endeavour to call the attention of the public, to the important fact,

That it would be by no means difficult to place the commercial affairs of society upon such a footing, that production would become the uniform and never failing cause of demand ; or, in other words, that to sell for money may be rendered, at all times, precisely as easy as it now is to buy with money.

The principle here stated, which is as plain as simple, and as intelligible as any at present in operation amongst mankind, *is to be understood without any limit or restriction, as respects quantity and value, but not without regulation as to kind.* Its language is, produce

ad infinitum and I will find you a market *ad infinitum*. Multiply your productive powers by a thousand millions, and by that very act you enlarge your market for the sale of produce to precisely the same extent.

Man is an animal, a moral and an intellectual being, and his happiness consists in the due exercise and gratification of all his propensities, feelings, and intellectual powers. The art of happiness, therefore, involves the consideration of all human pursuits, and these are divided into a great variety of parts, or branches, one of which, and the one which it is my present intention to discuss, is the science of procuring the *means* by which life is sustained, and leisure afforded for the study and pursuit of the more refined and higher branches of science. And however much individuals may differ as to the expediency of this thing, or the efficacy of that—however much, in the details of the subject before us, like the luxuriant foliage of a tree, one may incline to the right hand and another to the left, without detracting from the general excellence and beauty of the whole,—still there are some few conditions, or ingredients, without which it is impossible for societies ever to prosper to the extent which is naturally attainable by them : and these are,

First, There must be a sufficiency of land ;

Secondly, There must be a sufficiency of labour ;

Thirdly, There must be a sufficiency of capital ; and,

Fourthly, Production must be the uniform cause of demand, or, in other words, it must be as easy to sell as it is to buy.

These four conditions are so indispensably necessary to national prosperity, that they may be justly compared to the elements, without which it is impossible for us to exist.

The first, land, is so obviously necessary, that to dwell upon the subject would be quite superfluous.

The second, labour, is the source of wealth, or "original purchase money that is paid for every thing."

The third, capital, is so essential, that, to procure the food of a single day, which is not to be consumed until the day following, we must have a supply on hand—that is, capital—sufficient to support life until that time arrives.

The fourth condition, instant power of exchanging, is the last, but not the least important, ingredient of prosperity. It is the want of this one which is now the stumbling block of every civilized society upon the earth, and societies have only been able to

exist at all in its absence, because they have fallen upon imperfect and very inferior substitutes for it. Never having had a proper instrument of exchange, they have, at various periods, employed bullocks, sea-shells, metals, tobacco, nails, beads, gold, silver and copper coins, bank notes, bills of exchange, barter, credit, and a variety of other things; but to this hour there has *never existed* a rational system of exchange, or a proper instrument for effecting exchanges.

The vast importance of being, at all times, as able to sell as to buy, will be a matter of easy demonstration. When man forsook (which he is supposed to have done almost from his first existence) the method of providing, by his own labour, the particular articles which he required to use, commenced merchant, and began to live by devoting his attention to individual pursuits, that he might supply his wants by exchanging that which he himself procured or produced for portions of the labour of other men, he became a being dependent upon the society in which he lived; and the degree of that dependence has been incalculably increased, as societies have advanced, as artificial wants have multiplied, and as the objects of labour have been more and more divided amongst mankind.

The savage inhabitant of a forest, for example, *is* enabled, by his own labours, if in average health, strength, and intellect, to provide himself with such food, and clothing, and habitation, as the forest can afford him. But man, civilized man, living in a state of society wherein every acre, plant, and animal, is *appropriated*, is, of himself, the most helpless of created mortals. A smith cannot feed upon iron, nor use it for clothes and habitation. The savage may kill a beast, eat its flesh, and clothe himself with its skin; but the civilized smith can do neither. He can earn his livelihood by exchanging, and only by exchanging, his labour for portions of the labour of others; and whenever he has no subsistence in store, unless he can do this, he must beg, borrow, steal, or starve.

The importance of the productive classes has been often illustrated by an appeal to the inutility, in certain situations, of money. A chest of gold, had he possessed one, would, no doubt, have been gladly exchanged by Robinson Crusoe for a chest of carpenter's tools; and a million of bank notes, had he possessed them, would have been as gladly given for a few acres of well-stocked and cultivated land. The aptness of this observation is not, however, confined to money; it

is equally applicable to *any one thing* that exists, for upon no one thing can man subsist. He cannot live by bread alone; he must have other food, as also clothes and lodging; and as, in a state of society, the difficulty, to any one man, of producing, by his own labour, whatever he requires, is immeasurably increased, the necessity of being able to exchange one thing for a variety of other things, becomes the more urgent. To be able to *exchange* is to him as important, as it was to Robinson Crusoe to be able to *produce*.

Rejecting, then, the particular instances arising from bad conduct, imprudence, or casual misfortune,—Have mankind, generally speaking, the power of exchanging their labour for portions of the labour of other men, without delay, without difficulty, and at a fair price? In a word, can the whole productions of Great Britain and Ireland be sold to-morrow, at fair prices, for money? Can he who possesses one thing,—an extensive stock of household furniture, for example,—convert that thing into portions of every thing, or of whatever he requires to have in exchange for it, without the certainty of incurring an immense loss by the exchange? It were almost idle to answer the question, by saying that this is an obvious impossibility, in the

present state of society. A man, it is well known, who has a tolerable extensive stock of such goods, must generally keep them many months on hand, and exert great care and industry before he can dispose of them at a fair price,—that is, for more than the cost of producing them, by so much as may be considered a fair profit upon the capital employed, and a proper remuneration for the unproductive labour exerted in his business.

This, then, I say to that man : The present system of exchange is founded in the very depths of ignorance and folly, and I will shew you how produce, in quantities without any known or conceivable limit, may be disposed of on the terms already defined, at all times, in a single hour, and without the chance of the time ever arriving when there can, by any possibility, be a market overstocked, or demand be overtaken by production. And moreover, so plain, so simple, and so practicable, is the method by which this may be accomplished, that the time must come when mankind will look back upon the present state of society with very much the same feeling that we experience when we look back upon the belief of our ancestors in witchcraft. We are astonished that so much folly and so

much wisdom could have existed at the same period, and in the same minds.

The chief object that I have here in view, then, is *to shew how production may be rendered the uniform and never-failing cause of demand*. But to explain this doctrine fully, and to shew the manner of its operation, necessarily involves the consideration of a commercial system.

Some persons there are, indeed, who, on viewing the title-page of a book, purporting to give a system for society, will ask, What nonsense is this? Why any system at all, other than that "which has grown up with mankind from a state of barbarism, and which, with reform, free trade, and small taxes, are all that are necessary for our prosperity?" The answer, and I have here quoted the words in which this question has been already asked me, is, that reform, free trade, and small taxes, are *not* all that are necessary to our prosperity; because that system which has grown up with mankind from a state of barbarism, contains an *error*, so important, so extensive, and so overwhelming in its power and consequences, that, unless it be removed, it is totally impossible to confer substantial benefit upon mankind; and that error is, a defective system of exchange. But its removal can only be

effected by a considerable change in the commercial arrangements of society ; and hence the necessity of a system, different in some respects from that on which we are now acting.

But, again, it may be said, Why not state simply what the particular improvement is that you wish to introduce, and leave every man to judge of it, and to apply it for, himself, instead of putting him to the trouble of following you through details, many of which he already understands ? The answer to this is, that such a course would be perfectly unintelligible, and this will be easily shewn by doing the very thing proposed. Here, then, is one of the principal features of the plan I wish to introduce :—

The want of money—a story in every body's mouth—is a great evil ; and I propose to remedy it by causing the production and destruction of goods and money to proceed together. But *how*, it is immediately asked, do you propose to do this, and what will be the good of doing it ? Read the book, is the reply.

Few persons, at all accustomed to contemplate the vast changes which have sometimes taken place in society, in consequence of simple and apparently insignificant disco-

veries,—as, for instance, the greater space occupied by water when it is converted into steam,—will hesitate to allow, that if, by any means, it be possible to make production the cause of demand, society is now in a state of wretchedness indeed, compared to that which it has yet to enter.

When, however, by tracing the operation of cause and effect, we endeavour to give an answer to the question, What would be the consequences to society of the change which has been already defined? the mind is positively bewildered in the mightiness of the subject, and our tired thoughts fall back upon us, and seem to reproach the will for unreasonably sending them in search of infinity.

The system of commerce here advocated has nothing to do with any speculative theories upon the perfectibility of man; it is equally open to men of every class, sect, party, and country; it requires merely a conventional plan of exchange, and a rational species of money; and with merely that degree of rectitude of conduct which is essential to the existence of civilized society at all, it may be put into universal operation.

But is it practicable? It has been already answered that it is so; and it farther

answered, that one great criterion of the practicability of a thing is involved in the whether it is *worth while* to put it into practice. If all the manufacturers in the country were told, that, by making a certain change in their present plan of doing business, they would gain an extra $2\frac{1}{2}$ per cent, by the employment of their capital, they might fairly reply, the object is hardly worth the trouble of gaining. But the language here held out to them is this: Produce without any limit; call in the aid of magic, if you please, to increase the respective products of labour, and still the market can never be overstocked, nor can any difficulty be experienced in selling, for a fair price, that which you produce.

This, surely, is an object worth accomplishing, a point worth contending for, a prize worth winning; for its accomplishment would make unmerited poverty a name, which, in the dictionaries of future ages, would be marked obsolete; the national debt, a toy which politicians would in future play with; and the "want of money," a sentence in a farce, to be written by posterity, in burlesque of the wisdom of their ancestors,—that is, ourselves.

The reason why production is *not now* the cause of demand, will be abundantly

explained in the sequel. Some of the political economists, indeed, say, that "effectual demand" *does* "depend upon production;" but the fallacy of such a doctrine will also be fully shewn, in the course of this work.

I am far from believing that the particular plan I am now about to explain, is at all the best that can be devised; on the contrary, I feel assured that it may be improved in a variety of particulars. Its chief recommendation is, *that it embodies the four indispensable ingredients of national prosperity*,—the means of procuring a sufficiency of land; the means of ensuring a constant increase of capital, proportionate to the wants of an increasing population; the power of instantly exchanging labour for labour; and of labourers themselves, nature appears likely to produce an abundance to meet the exigencies of any system.

I have gone carefully over the best works upon political economy, and could I have discovered that any previous writer had ever shewn in what manner capital might be made systematically to increase as fast as population, and how production might be made the uniform cause of demand, the Social System would never have been written. The importance, however, of these conditions is such, that the searcher after the philosopher's stone



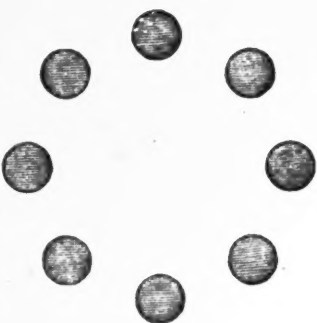
is not a greater visionary, than the man who expects to see a state of national prosperity without them : he might as well expect to respire without lungs, or to reflect without a brain.

Mr Mill, indeed, in his *Elements of Political Economy*, second edition, page 58, admits, that "there are two modes in which artificial means may be employed to make population and capital keep pace together : expedients may be sought, either to diminish the tendency of population to increase, or to accelerate beyond its natural pace the increase of capital." But he has not proposed to adopt any practical plan for doing either the one or the other. He says, indeed, "that forcible means employed to make capital increase faster than its natural tendency, would not produce desirable effects." But what does the term *natural tendency* mean, other than that tendency which is natural under *existing circumstances*, and which tendency may be to increase slowly or rapidly, just as the circumstances are favourable to increase, or the reverse ?

THE PRINCIPLE ILLUSTRATED.

THE PRESENT SYSTEM.

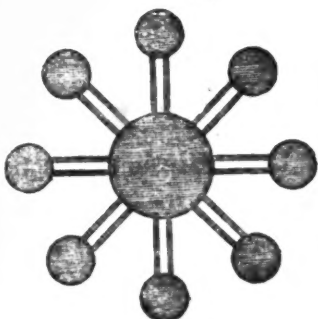
Demand, the cause of production.



WILL YOU BUY? ALAS! WE ALL WANT TO SELL.

THE SOCIAL SYSTEM.

Production the cause of demand.



IT IS AS EASY TO SELL AS TO BUY.

THE PRESENT SYSTEM.—The circles are intended to represent the various members of society, who, being unsupplied with a proper instrument of exchange, (money, as it is now used, being merely one of the circles,) are in want of that which the aggregate is capable of producing in superabundance:—they are all in full cry after a market.

THE SOCIAL SYSTEM.—The outer circles are intended to represent the various members of society. The channels are money, by which each man is enabled to put one thing into the public stock, and to take out of it what he requires to have in exchange for that which he puts in. The larger circle, in the centre, is the public reservoir of wealth.

Wealth, like a thousand streams of water, arising in different places, and partaking of different qualities, should all flow into one grand reservoir; and being there mixed up, and its various qualities amalgamated, it should be restored to its producers in *quantities* equal to those contributed by each, but partaking of the *qualities* of the whole; and *money* should be merely a *medium*, to be used for the purpose of giving to every man as much as is received from him.

CHAPTER III.

Sketch of a Commercial Constitution—Appropriation of Land and Capital—Direction—Management—Wages—Salaries, and general principles of the Social System.

As it is the object of this chapter to describe, in a connected form, the leading features of the plan about to be advocated, rather than to present, in all the stiffness of language with which such a document would require to be invested, a commercial constitution, the chapter itself might perhaps have been more properly entitled "Principles of the Social System;" but the term, "Commercial Constitution" has been preferred, as containing in itself a description of one of the ingredients conceived to be necessary to the attainment of national prosperity.

The principles about to be specified will be accompanied here with but little either of argument or illustration; but, after the whole plan has been described, such general obser-

vations will be made upon it, as will tend to shew why, in the author's opinion, so vast and important a change in our commercial affairs is imperatively called for.

It is proposed, then, that, whenever a sufficient number of persons shall be induced to combine their capital, for the purpose of more effectually supplying themselves with the necessaries, conveniencies, comforts, and luxuries of life, by making the production thereof the unfailing cause of a demand for them to an equal extent, they should proceed to act upon the following principles:—

I. That a president, and a sufficient number of representatives, be chosen in an equitable manner, to control, direct, and regulate the affairs of the association ; that the persons so elected be invested with supreme power, during the time they may be in office, and that they be denominated collectively, The National Chamber of Commerce.

II. That, in their public capacity, the members of this Chamber do abstain from all political and religious discussions ; that they engage to treat, with equal justice, men of every political opinion, and of every religious creed ; that they do bind and oblige them-

selves to devote their undivided attention to the interests of commerce ; to submit themselves, in all things, without complaint, to the established authorities of the country ; to renounce the right even to petition parliament ; and that, whenever any change in the commercial law of the country shall appear to them to be desirable, or necessary, they represent the same to their constituents, leaving it for them to petition for the necessary alteration.

III. That all persons possessed of land, or capital, be invited to join this association, and that all other persons be admitted members of it as rapidly as its progress will allow.

IV. That all the members of this association, who shall be possessed of land, or capital, shall have an estimated value put upon the same, and shall consent to receive a fixed annual remuneration for the use thereof, proportionate to its value, in lieu of retaining, in their own hands, the chances of gain or loss, by its cultivation or employment.

V. That the direction and control of all cultivation, manufactures, and trade, be vested in the Chamber of Commerce.

VI. That the cultivation of land, and the management of all trades and manufactures, be intrusted to servants or managers, to be hired at fixed salaries by, and to act under the direction and control of, the Chamber of Commerce.

VII. That produce of every description, manufactured and agricultural, be lodged in national warehouses, and intrusted to the care of servants or managers, who are to be remunerated by salaries fixed by the Chamber of Commerce.

VIII. That, from these national warehouses, or depôts, all shops for the disposal of goods by retail, be supplied; these shops, also, to be committed to the care of servants or managers, appointed at fixed salaries by the Chamber of Commerce.

IX. That all wages and salaries be paid in money of no intrinsic value; and that the price of commodities consist, first, of the cost of the material; secondly, of the wages of labour; and, thirdly, of such a per centage or profit, as shall be sufficient to ensure a gradual and sufficiently rapid increase of capital, as also to pay all the expenses of rent, interest

of capital, salaries, depreciation of stock, unproductive labour, incidents, and all national charges, to be hereafter more particularly specified.

X. That the land, capital, and labour of the association, be devoted, in the first instance, to the stocking of the national warehouses with the various commodities which constitute the ordinary necessities, conveniencies, and comforts of life.

XI. That, whenever any commodity shall be found to be unduly accumulating in the national warehouses, thereby proving that it is unnecessary to continue its production to the same extent as formerly, a portion of the capital and labour employed in the production of the said article, be forthwith devoted to another purpose, that is, to the production of some other article of which there does not appear to be any such superfluity.

XII. That the loss or damage, whenever any shall be sustained by these changes, be charged to the national account, and form one of the items to be paid by a per centage on the sale of the produce of the labour of the association.

XIII. That, during the time that shall *necessarily* elapse between the relinquishing of one employment, and devoting themselves to another, the operatives be paid the full weekly sum that they shall have been accustomed to receive: this expense also to be charged to the national account.

XIV. If, from great improvements in machinery, or from any other cause, the productive powers of labour should be greatly increased, so that a small portion of the number of persons at present necessarily employed in producing the ordinary marketable supplies should prove to be sufficient to meet the demand for them, then let this simple rule be followed:—As fast as we come to be supplied with the ordinary necessities and comforts of life, let us apply our labour and capital to the production of that which is more ornamental and luxurious; and it is as impossible that production should ever overtake demand, as that mankind should ever cease to desire something which they do not possess. This rule has no restriction—no condition—no qualification. It may be acted on with certain advantage, so long as the earth shall continue to revolve.

XV. That the National Commercial Association be held and considered to be one body of commercial partners, upon the same principle, to the same extent, and only to the same extent, that all men are now political partners in the respective states to which they belong, being alike subject to, and protected by, the same general law ; but without the smallest mixture of private property, or sacrifice of individual right.

XVI. That it be a main object of the association to pay off, as rapidly as possible, the borrowed or hired capital with which it must commence, and that, with all convenient speed, it provide itself with sufficient land and capital of its own.

XVII. That regular accounts be kept by a national bank of the whole proceedings of the association, in a manner to be hereafter described ; and that an annual balance sheet be published, exhibiting its whole receipts, expenditure, and the state of its finances.

XVIII. That a given number of members be, at all times, entitled to demand and to receive an explanation of whatever may

appear to be unsatisfactory or obscure in the national balance sheet.

XIX. That a Commercial Constitution, in a detailed and explicit form, be drawn up, and that his majesty's government be humbly solicited to sanction and patronize the National Commercial Association, under the restriction, that it adhere strictly, in all its proceedings, to the principles of its constitution.

XX. That the Commercial Constitution never be altered, but with the mutual consent of the established political government, and the Chamber of Commerce.

An intelligent friend, who recently did me the favour to cast his eye over these pages whilst they were in manuscript, was immediately struck with the resemblance which appears to exist between the principles of the social system, as here defined, and the rules of an ordinary joint stock company. That a resemblance does exist, at first sight, is at once admitted, but it extends not one jot farther than that resemblance which exists between a mushroom and a toadstool, or between gold and gilded brass.

The difference lies here. An ordinary joint

stock company is merely an assemblage of persons and of capital, whose primary object is to carry on some branch of trade, commerce, or manufacture, for the purpose of competing with other traders, or for the sake of endeavouring to monopolize a trade altogether, as, for example, in the case of the East India Company, and *private* advantage is the ultimate object of the whole affair.

The specific object of the proposed commercial association, on the contrary, is to make production the infallible cause of demand, and to give the greatest possible effect to labour and capital, *by whomsoever the former may be exerted, or the latter possessed*, by means of a thoroughly organized plan of production, exchange, distribution, and accumulation. The ultimate object here, therefore, is, to give to the *public*, and to every individual composing it, in portions proportionate to his industry and wealth, the entire advantage of the compact.

And although this subject is rather too extensive, and too complicated, to be seen through at a glance, and understood with that degree of attention which is given to a new novel by a professional critic, who reads for the sake of reviewing it, a very little reflection will convince any man, who

is at all capable of forming an opinion upon such a subject, that national prosperity of a very exalted character, would inevitably spring from the plan of operations that is here recommended. For, the labouring classes could never suffer from the want of employment for a single hour : individual anxieties respecting business would also be done away with, for, although industry and attention would be no less necessary than they are now, unmerited misfortune, in the shape of bankruptcy, or failure, would be entirely prevented. The higher classes, too, would be provided with an excellent fund for the investment of their money ; and the government, as will be duly shewn, would be saved the very disagreeable and expensive business of collecting the taxes. And, lastly, the nation would know no other limit to its wealth than the exhaustion of its industry, the exhaustion of its productive powers, or the satisfaction of its wants.

The main features of the Social System being thus briefly described, I shall now proceed to take a view of the subject in a more detailed and explicit form.

CHAPTER IV.

Production — Labour the source of wealth — Security of property —
Division of employments — Capital — Description of the manner in
which manufactures and agriculture may be so conducted that demand
must ever keep pace with production.

THE enjoyment of life is the common object of every human pursuit, and the original source of all the means of enjoyment is labour. Even land is of no value until labour is applied to collect, increase, and regulate its productions ; and capital, that is, accumulated valuables, is the result entirely of exertion, applied either to the production or appropriation of wealth.

But, although labour is the only source of wealth, there are other conditions and circumstances to be taken into account in considering the subject of production, by which the incitement to industry is increased, and by which its operations are assisted.

One of these conditions is the security of property, of which Mr M'Culloch observes :
“ Security of property is the first and most
“ indispensable requisite to the production of
“ wealth. Its utility in this respect is, indeed,
“ so obvious and striking, that it has been more
“ or less respected in every country, and in the
“ earliest and rudest periods. Nothing, it is
“ plain, could ever tempt any one to engage in
“ a laborious employment—he would neither
“ domesticate wild animals, nor clear and cul-
“ tivate the ground—if, after months and
“ years of toil, when his flocks had become
“ numerous, and his harvests were ripening
“ for the sickle, a stranger were to be allowed
“ to rob him of the produce of his industry.”

If, however, the security of property is indispensable as an incitement to industry, the division of employment is not inferior to it in importance; for, as a means by which the productiveness of labour is increased, its value is altogether incalculable.

The advantages resulting from this principle, have been usually classed under the following heads: “ First, The increased skill
“ and dexterity of the workmen; secondly,
“ The saving of the time which is commonly
“ lost in passing from one employment to
“ another; and, thirdly, The circumstance of

“ the division of employments having a tendency to facilitate the invention of machines and processes for abridging and saving labour.”

Of the increased skill resulting from the division of employments, it is observed by Mr Mill, in his *Elements of Political Economy*, that “ The foundation of this class of improvements is the faculty by which an operation, which we perform slowly at first, is performed with greater and greater rapidity by repetition. This is a law of human nature so familiar and well understood, that it hardly stands in need of illustration. The simplest of all operations, that of beating equal times on a drum, is a proper example. A man who has not practised a similar operation, is often surprised, upon trial, at the slowness with which he performs it, while the rapidity of a practised drummer is still more astonishing.”

As respects the saving of time occasioned by the division of labour, Mr M'Culloch says: “ The effect of the division of labour in preventing that waste of time in moving from one employment to another, which must always take place when an individual is engaged in different occupations, is even more obvious than the advantage derived

“from the improvement of the skill and dexterity of the labourer. When the same individual carries on different employments, in different and perhaps distant places, and with different sets of tools, it is plainly impossible he can avoid losing a considerable portion of time in passing between them. If the different businesses in which a labourer is to be engaged could be carried on in the same workshop, the loss of time would be less, but even in that case it would be considerable.” And again, “With regard to the effect of the division of employments in facilitating the invention of machines, and processes for abridging and saving labour, it is obvious, that those engaged in any branch of industry must be more likely to discover easier and readier methods of carrying it on, when the whole attention of their minds is devoted exclusively to it, than if it were dissipated among a variety of objects.”

But the advantages proceeding from the division of employments, have been so frequently described, and are now so generally understood, that it is unnecessary here to do more than merely to recognize them, in the language of the political economists, as established principles of social science.

Another condition essential to production,

and without which it is impossible for any considerable advances to be made towards prosperity, is the accumulation of capital, of which much will be said hereafter: for the present another quotation will suffice. "What," says Mr M'Culloch, "could the most skilful husbandman perform, were he deprived of his spade and his plough?—a weaver, were he deprived of his loom?—a carpenter, were he deprived of his saw, his hatchet, and his planes? The division of labour cannot be carried to any considerable extent without the previous accumulation of capital." "Before labour can be divided," says Dr Adam Smith, "a stock of goods of different kinds must be stored up somewhere, sufficient to maintain the labourer, and to supply him with materials and tools. A weaver cannot apply himself entirely to his peculiar business, unless there is beforehand stored up somewhere, either in his own possession or in that of some other person, a stock sufficient to maintain him, and to supply him with the materials and tools of his work, till he has not only completed but sold his web. This accumulation must, evidently, be previous to his applying himself for so long a time to such a peculiar business." But the foregoing considerations, however

indispensable to a systematic treatise upon the subject of political economy, are hardly necessary to be dwelt upon in a work, the chief object of which is to demonstrate the importance of a particular principle; and when we speak of manufactures individually, production may perhaps be more intelligibly defined to be the result of material, capital, and labour. The business of this chapter, then, is to shew in what manner it is believed that the production of commodities can be much more advantageously carried on than it is at present; and if the reader will take the trouble to make himself acquainted at the outset with the principles of the Social System, as described in the foregoing chapter, he will the more readily understand the contents of this chapter, and of those that are to follow.

It will be already understood, that the Social System recognizes as useful, but one controlling and directing power, but one judge of what it is prudent and proper to bring into the market, either as respects kind or quantity,—the Chamber of Commerce,—who, having the means of ascertaining, at all times, the actual stock of any kind of goods on hand, would always be able to say at once where production should proceed more rapidly, where at its usual pace, and where also it should be retarded.

A master manufacturer, therefore, as he is now termed, should be an agent, because he must be liable to increase or decrease the extent of his productions, whenever required to do so, or even to give up his business altogether, if needful. And it will require but little reflection to be convinced, that if, in any case, there are three factories, where two would be sufficient, it is much better that one of them should be given up at once, than that the three should run a race of competition to see which of them is to be starved out of existence. A man gives up eating when his hunger is satisfied, and a nation must give up making a given article whenever it has got enough of it.

But observe the consequences of this change. Upon the principles of the Social System, instead of evil it produces good. A and B, we will suppose, are producers of the necessities of life, and the price of necessities is, therefore, the wages of two persons. But it is presently found, that A can produce sufficient necessities for himself, and B besides. What follows? The price of the necessities of life for two, is now reduced to one. B, therefore, produces in future luxuries; his supply, one, is also his demand for one; a market is thus furnished for the whole products of A and B, and both are now able to

afford luxuries, because the half of the luxuries produced by B, is the equivalent which he gives for the half of the necessities produced by A.

But this is not the case under the present system of exchange, and hence the wilderness of ideas upon the subject of over-production. See what a man of the first rank of intelligence says upon this subject, in a very recent work. "By means of machinery," says Mr George Combe, in his *Essay on The Constitution of Man*, "and the aids derived from science, the ground can be cultivated, and every imaginable necessary and luxury produced in ample abundance, by a moderate expenditure of labour, by any population not in itself superabundant. *If men were to stop whenever they had reached this point, and dedicate the residue of each day to moral and intellectual pursuits, the consequence would be, ready and steady, because not overstocked, markets.*" And again, "The labouring population of Britain is taxed with exertion for ten, twelve, and some even fourteen hours a-day, exhausting their muscular and nervous energy, so as utterly to incapacitate them, and leaving, besides, no leisure for moral and intellectual pursuits. The consequence of this is, *that all markets are overstocked with produce; prices first fall*

“ruinously low; the operatives are then
“thrown idle, and left in destitution of the
“necessaries of life, until the *surplus produce*
“of their formerly excessive labours, and
“perhaps something more, are consumed;
“after this takes place, prices rise too high, in
“consequence of the supply falling rather
“below the demand; the labourers resume
“their toil, on their former system of excessive exertion; they again overstock the
“market, and again are thrown idle, and
“suffer dreadful misery.”

It would be quite impossible for this to happen, if production were the uniform cause of demand. Men, I am satisfied, would cease to slave twelve or fourteen hours a-day, if a rational system of exchange were to be introduced; because, when properly educated—an inevitable result of national prosperity—they would infinitely prefer to work the half of that time, and to enjoy the other half. But what I contend for is, that upon the plan of exchange that is here recommended, if men were to work twenty-four hours a-day, and if, moreover, the labour of each man was equal to that of a steam engine of fifty horse power, production could never overtake demand, and neither could the market be overstocked for a single hour; for, as Mr Mill incorrectly says of the present

system, "The demand and the equivalent are convertible terms, and the one may be substituted for the other. The equivalent may be called the demand, and the demand the equivalent." The *kind* of produce brought into the market might change from necessary to luxury, and from luxury to profusion ; professions (not the legal, indeed, nor the medical, but the arts of painting, sculpture, music, and many others) would multiply to an incredible extent, but there would be no more "gluts."

As a general specimen of the manner in which it is submitted that manufactures and agriculture should be conducted, let us suppose the necessary buildings and machinery to be erected, and a number of operatives to be engaged by a manager employed by the Chamber of Commerce to carry on the work.

First, then, the manager, as the accredited agent of the association, is to have the unlimited command of whatever, in his official capacity, he requires to use. He is to be supplied with all the materials necessary for the carrying on of his trade ; that is, not only with the principal materials, of which the goods themselves are composed, but also with those that are consumed in the course of production, as coals, chemical dyes, &c., say, for example, to the amount of a thousand

pounds; and from the Bank, to be presently described, with money to the amount of another thousand pounds. The operatives being employed produce from the said materials a certain quantity of goods, and receive the thousand pounds in payment of their wages. The goods being transmitted to their respective national warehouse, the agent's account with the Bank is balanced at once; the goods remitted being the only payment required for the materials and money intrusted to the agent.

What may be termed the direct cost of goods so produced would, therefore, consist of material and labour only; and it does not appear to be desirable to add any thing to their price, in this stage of the business, for the other expenses of rent, management, &c.

Every description of productive employment—whether it consist in procuring or manufacturing the material only for the use of other manufactories,—such, for example, as the procuring of metal ore, or the spinning of cotton; or whether it consist in finishing goods for the market; or in both of these—may thus be carried on with a degree of facility and advantage, wholly incompatible with the existing plan of society, in which a manufacturer, after he has produced goods, has to

find a market for the sale of them, where and how he can. An associated manufacturer would have no market to seek, no customers to higggle with, no bad debts to fear, no pecuniary considerations to harass, nor commercial perplexities to annoy him. He would merely have to perform a plain and simple duty, and to receive a liberal salary as his reward.

Established manufacturers have only to understand the present system to be induced to embrace a better one. There are few persons, indeed, who would long hesitate to exchange chance for certainty, provided the amount of profit should be greater, or even equal, in the latter case. And, upon the plan now proposed, a manufacturer might, in the first instance, that is, until the vast superiority of the Social System should be universally admitted, retain the legal possession of his capital, and, by becoming a member of the commercial association, obtain a certain and considerable income; first, by a fixed payment for the use of his buildings and machinery, and, secondly, by obtaining a salary as manager of his own works.

Agriculture should be put upon precisely the same footing. All the land possessed by the association should be cultivated by

accredited agents, supplied from the national warehouses with all the materials necessary for production, and from the Bank with money to pay their men; and all the produce should be transmitted to other national warehouses, and depôts, in return. A farmer, for example, is intrusted with a given quantity of land, and he receives instructions as to the general plan upon which it is to be cultivated. He employs labourers, pays them in money, which he draws at pleasure from the Bank, and transmits his corn and cattle, as they are required, into the national stores. The direct cost of produce in this case, as in that of the manufacturer, would, therefore, be the material consumed, and the labour expended.

The limitation which exists to the division of employments, already spoken of in this chapter, is here worthy of particular notice. The division of labour must ever be limited by the extent of the market, and the advantages of this division we have already seen; but it is obvious, that if any one operation be too insignificant, from the small extent of employment in it, to occupy a man exclusively, he must be employed in more than one, and thus he will inevitably become less expert and less productive.

This tends to illustrate one of the advantages of the proposed Social System. The market is at present limited by the competition which exists between tradesman and tradesman. A carpenter, for example, who competes with other carpenters similarly employed, has comparatively but a very small extent of market for the result of his labours; but if, where there are now twenty small concerns of this kind, there should be established but a single large one in its stead, the division of employment and consequent produce of it, would be immensely increased.

There is another particular, too, in which the productive powers of labour would be increased to a wonderful extent by the operation of the same principle. Machinery would be rapidly introduced into a great variety of trades, from which it is at present either altogether excluded, or used only to a very moderate extent, and under very disadvantageous circumstances, owing to the smallness of individual establishments. It is a principle, at present in operation, that the numbers of separate establishments, in any given trade, are very much in proportion to the smallness of the capital required to carry them on. Thus, in London, there are coal merchants innumerable; so many, indeed,

that it is proverbial, that when a man can do no good in any thing else, he turns coal merchant, and torments his uncles and cousins, and their uncles and cousins, with his solicitations for their custom for coals. Why is this, but because, in London, a man can turn coal merchant, or rather coal agent, without a sixpence?

Selling coals, however, is not a trade in which machinery is used, and it is mentioned merely as an instance of the numbers of establishments being greatly regulated by the amount of capital required to carry them on. Turning is another business which is frequently carried on in the same petty manner. It is so much divided into small establishments now, that there is not one turner in twenty who uses a mechanical power. Men, therefore, are employed instead, at, perhaps, fifty times the cost; for, if a hundred or so of these petty concerns were united into one, a single steam engine would furnish the mechanical power for the whole, and, as in the case of the carpenter, the different operations would also be subdivided to a much greater extent.

It is needless to follow out the argument by giving examples in other trades; indeed, so greatly beneficial would be the change in

this particular, that a true picture of its advantages would appear to be an extravagant exaggeration. While, however, it may be laid down as a rule, to which there is almost no exception, that machinery cannot be too extensively introduced, and that the man who is constantly employed in the performance of a single operation, will do many times as much work as one who is perpetually changing his tools, and shifting from one description of employment to another, it must be obvious, upon a moment's reflection, that the present plan of the commercial society is admirably calculated to confine the operation of these very beneficial principles within the narrowest possible limits.

CHAPTER V.

Exchange—Exchange the parent of Society—The present plan of Exchange radically defective—Necessity for a measure of value—Gold, silver, and bank notes, as at present used, totally unfit for the purpose for which they are intended—The proper use and qualities of money defined—Description of an improved plan of Exchange—Plan of a National Bank—Gold, silver, and copper coin—Exportation and importation.

As it is by labour that all things valuable to mankind are produced, so is it by exchange that individuals are enabled to partake of a great variety of things which their own labour could never, by any possibility, have commanded without it. In an advanced state of society, the food, clothing, and habitation, in ordinary use, amongst all classes of men, are composed of an immense number of ingredients, the result of the industry of individuals scattered over the face of half the globe; whilst it is evident, that if each person could obtain nothing but what should be immediately and

directly produced by the labour of his own hands, mankind never could have emerged from a state of the rudest ignorance and barbarism.

Exchange, therefore, may be denominated the bond and principle of society ; but it is a matter of legitimate inquiry, whether the existing plan of exchange is a good one? whether it is founded in right principles? and whether it is calculated to confer upon us all the benefits which the present advanced state of human knowledge and resource entitles us to look for and expect?

And these questions I answer with an unequivocal and emphatic *No.* It is our system of exchange which forms the hiding place of that giant of mischief which bestrides the civilized world, rewarding industry with starvation, exertion with disappointment, and the best efforts of our rulers to do good, with perplexity, dismay, and failure ; and it is our system of exchange which has produced the worse than Babylonian confusion in the ideas of men upon the subject of their collective interests.

Give us—and we have it now within our grasp—parliamentary reform—give us universal suffrage, annual parliaments, vote by ballot, free trade, an acquittal of the public

debt, freedom from all taxes, a repeal of the Union, and every other thing upon which the public has ever yet rested its disappointed hopes,—and *still* shall this demon of commercial error hold our prosperity in his iron grasp, and smile upon our ignorance and folly as he shall see our burdens, as we call them, one by one removed, whilst we continue to sink deeper and deeper still into the Slough of Despond, under the invisible but enormous weight that is oppressing us.

As, however, it is both desirable and customary for mankind to devote themselves to particular occupations, and for each to live by exchanging that which he produces for innumerable portions of the labour of others; and as we cannot, with any degree of convenience, make direct exchanges of produce for produce, an instrument of exchange as a measure of value, becomes an indispensable requisite in every commercial society; and a fit and proper instrument of this description has never yet been used by any nation upon the earth.

The legitimate use of money is precisely the same as that of scales and weights and measures: it is to measure out and apportion exchanges, to facilitate the giving and obtaining of equivalents: money, therefore, as a

necessary of life of the most ordinary and everyday description, ought to be as cheap, as common, and as attainable, by those who have any thing that they wish to exchange, as a pair of scales, or a pound weight.

Gold coin is totally unfit for this purpose, because it is ever used upon the principle of being itself equal in value to that which it represents; and as in, at least, ninety-nine cases out of every hundred, the thing it represents is capable of being far more easily increased than gold, every increase of other produce habitually takes place at the imminent risk of being sold at a reduced money price, that is, at a loss instead of at a profit; and thus production is constantly checked and retarded by the fear that is ever present in the manufacturer's mind of producing too much. It is the quantity that can be *sold at a profit*, not the quantity that can be *made*, that is the present limit to production.

Bank notes are subject to precisely the same objection as gold, for they are uniformly issued upon securities, which are always, in the aggregate, of more value than the money advanced upon them. Thus, there is a constant deficiency of money, a never-failing facility of obtaining whatever we require for money, and a never-failing difficulty in obtain-

ing money for other things. In short, money, as it is at present used, is merely a commodity, the price of which rises and falls, like every other commodity, in proportion as the demand for it is great or small.

When other marketable produce is increasing, that is, when it is produced more rapidly than it is consumed, the demand for money is, in the aggregate, also increasing; but as there is no habitual tendency in money to increase as fast as other produce, an increased quantity of whatever is given in exchange for money, would be constantly demanded for it, if manufacturers were to give full scope to their respective powers of production. Hence arises a powerful check upon production; the fear of producing too much; the fear lest the article should fetch *less money* than it cost. The manufacturer must see a market for his goods before he makes them, or, at all events, if he have an abundant stock on hand, he will not continue to add to it faster than his customers take from it. It is of no use for the operatives to say to him, "We are industrious and will work; you have the capital wherewith to employ us; our wants are not supplied." All this must be mere folly to the man of business, whose capital, like a hand at cards, must be played with a

sort of hocus pocus dexterity to win the stake — to carry off the prize.

Great care must always be taken that goods be not made so freely, as to lower themselves in money price, because the undertaker would, in that case, lose by his adventure, his object being to gain by it. The man who manufactures goods, does not coin guineas at the same moment: there is no relative increase between the newly created wealth and its representative money; and thus a pound note, like a member of parliament, whose constituents are increased in number, becomes of greater relative importance. The value of an individual vote is lessened in the one case, and the value of an individual piece of goods in the other.

Again, as there is no tendency in money, habitually and systematically to increase as other produce increases, so also is there no habitual tendency in it to decrease as other produce is consumed. The shilling which buys a loaf of bread, exists in circulation alike before the bread is made, and after it is eaten.

Thus, the value of money is continually liable to change, and if weights and measures were subject to the same kind of variation, greater confusion and mischief would not be the result.

The desideratum in money is, that it may enable any man, at any time, to exchange any article, of any value, for an equal value of whatever marketable commodity he pleases to have in its stead, with the least possible expense of time, of labour, and of anxiety.

Does any description of money now in circulation come up to this standard of excellence? If, for example, a man build a house, grow corn, or manufacture goods, can he certainly and immediately exchange the house, the corn, or the goods, for their value in money; that value being a fair remuneration for the trouble of superintendence, and for the use of the capital employed, added to the cost in labour and material of producing them? The universal answer to this question, if the truth be told, is *No*.

Repeat the question: would the description of money now about to be recommended, possess all these desirable qualities? Could manufacturers, farmers, and builders, instantly obtain the value in money of their respective products, allowing in each case, in the manner above defined, a fair and reasonable profit for themselves? The answer is, *Certainly they could, at all times, in all seasons, and without so much as the shadow of uncertainty or risk.*

The time might arrive when the farmer

would be instructed to grow more of one commodity and less of another than heretofore ; when the manufacturer would be instructed to contribute to the luxuries and pleasures of mankind, rather than to his necessities, and when the builder would be instructed to adorn rather than to erect ; but the time could never come when production could exceed demand, or when it could be difficult to find an instant market for any earthly thing that should be produced in accordance with the principles of the Social System ; and the ingenuity of that man will be racked in vain who shall attempt to disprove the truth of this assertion.

Money should be merely a *receipt*, an evidence that the holder of it has either contributed a certain value to the national stock of wealth, or that he has acquired a right to the said value from some one who has contributed it. The use of the receipt should be to enable the holder of it to re-obtain the value that was given for it, whenever he pleases, and in whatever shape he may require. But money should not be intrinsically valuable, and there is no more necessity for its being so, than there is for a man who has a store-room full of valuables that he wishes to dispose of, to carry golden certifi-

cates in his pocket, to prove to others that the goods are really there. An authenticated inventory would answer his purpose quite as well, and money should be nothing more or less than portable, transferable, divisible, and inimitable evidences of the existence of wealth in store.

But to describe the money arrangements of the proposed association. A National Bank should be established, possessing the sole power of manufacturing paper money, and of issuing it on demand to the accredited agents of the association. Another, and the only other, business of the Bank, should consist in keeping the national books, and separate accounts with all the agents, in a manner to be presently described.

All goods, then, as has been already stated, should be transmitted from their respective manufactories to the national warehouses, and here, to the price of material and labour already expended, which, in a former chapter has been denominated direct cost, should be added the per centage, or profit, fixed by the Chamber of Commerce, to pay the various expenses of rent, interest of capital, management, salaries, depreciation of stock, incidents, and all national charges; and this being done, would form the retail price of goods.

The national warehouses must necessarily be numerous, and for the accommodation of such articles as are usually consumed in the district in which they are produced, they should also be sufficiently distributed over the whole country. But for goods of a portable and not very perishable description, such, for example, as most articles of wearing apparel and other dry goods, much fewer warehouses would be required, because, as is the case at present, they might be forwarded from one extremity of the kingdom to another, at a comparatively small expense in proportion to their value.

The next and last class of warehouses should consist of retail shops, to be supplied from the general warehouses with every kind of commodity, each in its respective line. These, like the others, should be under the management of agents. All goods sent to the retail establishments should be charged in the wholesale department at the retail price; and the retail agent's account with the Bank would then be balanced by two items. First, he falls to be debited with all the goods sent to him, which being sold in all cases for ready money, to be remitted periodically to the Bank, monthly, quarterly, or annual balances taking place, the value of

the agent's stock on hand, added to the amount of money remitted by him to the Bank should always be exactly equal to the value of the goods with which he would be debited.

Upon this plan it will be evident, that, as the nominal or money price of all the property in stock would be entirely made up of the money issued by the Bank to the respective members of the social community, the quantity of money in circulation would at all times be exactly equivalent to the nominal or money value of the property in store. Money, therefore, would increase as produce should be increased; money would decrease as produce should be redemanded or consumed, and demand would ever keep pace with production.

The latter assumption, however, requires a single qualification, or rather explanation, which is this:—The annual demand would appear to be less than the annual production, by the exact quantity of wealth that would be annually accumulated. But this is a distinction nominal rather than real; for, upon the principles laid down, no perishable article would ever be produced in greater quantities than should be required for use, and the surplus, or saving, would invariably consist of imperishable commodities, as gold and silver,

and other articles of such intrinsic value as could at all times be exchanged for consumable produce. The surplus, therefore, would in fact be demanded for saving; and it is evident that this surplus, so far from being an evil, would be demonstrative evidence of prosperity.

The whole system of exchange, indeed, would be precisely similar to that which is now practised all over this kingdom in the single article of money. Money is now lodged in banks by private individuals, who draw it out by means of checks, or orders, whenever they require to use it: and the principal thing which this and every civilized nation requires to ensure its commercial prosperity is to do precisely the same thing with marketable produce of every description, upon a plan, however, so completely arranged and organized, that no difficulty or inconvenience could arise in practice. An estimated value being previously put upon produce, let it be lodged in a bank, and drawn out again whenever it is required; merely stipulating, by common consent, that he who lodges any kind of property in the proposed national Bank, may take out of it an equal value of whatever it may contain, instead of being obliged to draw out the self same thing that he put

in. The ordinary banker receives and takes charge only of money ; and he gives money, and money only, in exchange for money. The proposed national banker should receive and take charge of *every* description of valuable, and give back *any* description of valuable in its stead.

An important part of the subject of exchange next falls to be explained. The whole business of the country, or of the association, it has been said, is to be conducted by accredited agents, or managers, who are to draw money as they require it from the Bank, and materials or goods as they require them from each other. Will it not, it may be said, be exceedingly difficult to keep a proper check upon the honesty of the different agents ? The answer to this is, that nothing can be imagined more perfectly plain and simple than these national accounts would be, as will be immediately apparent by supposing the whole association to be, what in reality it would be, but *one* large manufacturing and mercantile establishment, the Bank being its *counting-house*.

Though every agent should deal with every other, the whole transactions of the association might be rendered perfectly clear and intelligible, and as strong a security be had for fair

dealing between man and man, as any now in existence.

The books of every agent must of course be subject to the inspection of the Bank ; and by every agent being required to debit himself with whatever he receives, and to credit himself with whatever he disposes of, his own account would at all times be perfectly clear. The cash remitted to the Bank, the goods on hand, and the goods disposed of without payment, that is, sent to any other accredited agent of the association, should always be exactly equal in amount to the cash and goods remitted to him by other agents, and with which he would in consequence be debited by the Bank.

No debtor and creditor account need be kept between one agent and another. No money transactions need take place between them at all : nor would it be necessary for payment to be made in any shape for goods received by one agent from another. Instead of making any payment, every agent, besides debiting himself with whatever he receives, and crediting himself with whatever he disposes of, (an invoice invariably accompanying all goods transmitted by one agent to another,) should send a periodical—weekly perhaps—copy of the *credit* side of his account to the

Bank ; and these documents would form what may be termed the *Bank day-book* ; the various items of which being posted to the respective agents' accounts—a debtor and creditor account being kept by the Bank with each—the amount of property in the hands of any agent might always be seen by looking to his account in the Bank ledger. The Bank itself posting also from its own books to the respective agents' accounts, all cash remitted to and received from them. To render this subject if possible still plainer, I shall give an example.

<i>First</i> , A, an agent, receives goods, value	
£500, from each of the agents B, C, and D,	
that is	£1500
And money from the Bank	500

Which sums amount together to	<u>£2000</u>
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And he remits goods, value £500, to	
each of the agents E, F, G, and H,	
amounting together to	<u>£2000</u>

A's account, therefore, with the Bank is balanced *in his own books*, and he has neither goods nor cash left on hand.

Secondly, The Bank receives statements from B, C, and D, that they have each forwarded goods to A, value £500, the united value amounting to . . . £1500

The Bank posts the said items to the debit of A's account in the Bank books, as also the money before mentioned sent to A by themselves . . . 500

Total	£2000
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But when A remits a statement to the Bank that he has sent goods, value £500, to each of the agents E, F, G, and H, amounting together to £2000

the same, being posted by the Bank to A's credit, his account is now balanced *in the Bank books*, and E, F, G, and H, are each debited by the Bank with £500.

Upon this plan, which may almost be termed simplicity simplified—for it would reduce the business of book-keeping to less than a thousandth part of its present extent—it is evident that a most effectual check would be kept upon the honesty of the agents. In

consequence of their never balancing accounts with each other, but only with the Bank, a false statement respecting any goods sent to any party would immediately prevent that party's account from balancing in the Bank books, thereby leading by the most direct road imaginable to investigation and detection.

Another inestimable advantage of this plan would arise from the ease and certainty with which the value of the whole, or of any particular kind of property belonging to the association, might at any time be ascertained, whereby the Chamber of Commerce would be furnished with the best possible guide by which so to order the production of commodities that no undue accumulation of any thing could ever take place.

The wholesale agent's accounts with the Bank would differ from the foregoing example in a single particular. In addition to the sum with which they would be debited by other accredited agents of the association, each wholesale agent would require to be debited with the per centage already spoken of, which would be more advantageously laid on here than in the retail department, in consequence of the greater facility of accomplishing it, arising chiefly from the very small number

that there would be of the wholesale houses in comparison with the retail.

For example, a wholesale agent is debited by the Bank with £10,000 for goods remitted to him by various manufacturers ; but if we suppose the necessary per centage to amount to ten per cent upon the cost price of commodities in their respective manufactories, there would fall to be added in the Bank books another thousand pounds to the debit of the wholesale agent's account for the item *per centage* ; and the agent being thus required to account for eleven thousand pounds instead of ten thousand, must lay the additional thousand upon the price of commodities individually, that is, two shillings on each pound previously to their being transmitted to the retail agents.

Although, however, it has been contended that paper money, increasing as produce increases, and decreasing as produce is consumed, is the only rational instrument of exchange that can be used for the main purposes of the business of a country, still it is evident that a different species of money is necessary for the purpose of making small purchases ; and it will presently be shewn upon what principles gold, silver, and copper coin, may still be used as auxiliary instru-

ments of exchange. An introductory observation or two may, however, assist us in our endeavours to arrive at a thorough understanding of this very important subject.

If money be of equal value with that which it represents, it ceases to be a representative at all. It is one of the chief desideratums in money, that the holder of it should be compelled at one time or other to present it for payment at the place from whence he received it. But if money be of the same intrinsic value as that which is given for it, no such necessity exists. The contributor to the national stock is in fact paid when he receives gold or silver coin for that which he contributes. He has no longer a claim for any thing in exchange for it, and his money no longer constitutes an evidence that he is a proprietor of other goods in store. He may, it is true, at a future time, wish to exchange his coin for more consumable produce, and with the view of doing so, indeed, it was that he obtained the coin; but this is merely giving one valuable for another, and the proper use of money is of a totally different character.

Money should mean this, and nothing more than this:—You have contributed value to the national stock of wealth; I am the evidence that it has been received from you;

and by me shall you be enabled to receive it back again, in whatever shape you please. There is no description of money now existing which at all corresponds with this character; its first, its most essential, its most valuable quality, being *intrinsic inutility*. We have a thing called money, consisting either of certain commodities which are generally used for the purpose of effecting exchanges, or of floating securities issued by bankers, which are passed from hand to hand in the same way: but these deserve rather to be called substitutes for money than money itself. "Wealth, like a thousand streams of water arising in different places, and partaking of different qualities, should all flow into one grand reservoir, and being there mixed up, and its various qualities amalgamated, it should be restored to its producers in *quantities* equal to those contributed by each, but partaking of the *qualities* of the whole, and *money* should be merely a *measure* to be used for the purpose of giving to every man as much as is received from him." — (Quoted from page 29.)

Gold, silver, and copper coins, however, although totally unfit for being used as a measure of value, may nevertheless be used as auxiliary instruments of exchange; for

which purpose, their durability, divisibility, and convenience, peculiarly fit them. But the last should be used merely as an auxiliary, as a makeweight, in the scale of payment, and all three should be considered to be *commodities* totally distinct from money. They should be bought and sold for money; but they should never be given by the Bank to the agents, in payment for goods received into the national stores; and neither should the Bank have any thing whatever to do with them; for, as will presently be shewn, not so much as a single sixpence would the Bank ever require.

Gold, silver, and copper coins, like every other commodity, must ever be liable to rise and fall in value, as they come to be obtained with increased or decreased difficulty. At different periods, therefore, it will be necessary that more or less of them, as well as of other things, be given for any pound note, used upon the principle of being a measure of value; but, in practice, no difficulty or inconvenience would arise from these changes, as will be presently shewn. The holders of metal, it is true, as well as the holders of every thing else, are liable to small losses, whenever it falls in value, and to small gains, whenever it rises in value. These changes, however, as

respects gold and silver, occur but seldom, and the alteration at any one time is usually very trifling.

I shall now endeavour to describe a method, by which I submit *that every shadow of difficulty connected with this subject may be entirely removed*; and the reader is requested to keep constantly in mind, that the thing now about to be treated of, is a *commodity* proposed to be manufactured and sold, under the Social System, upon precisely the same principles as goods of every other description, excepting that it, and it only, should not be subject to the usual per centage, which, if imposed, would lead to considerable trouble and difficulty.

A coin manufactory, then, should be established, under the management, as in all other cases, of an accredited agent of the association. (The Mint should be converted into this manufactory; but the word Mint is avoided in the description, for the purpose of getting rid altogether of the confused notions commonly existing upon the subject of money.) In this establishment, gold, silver, and copper goods, (coins,) of two distinct kinds, or classes, should be manufactured.

The first class would be required to pay balances to foreign countries; to buy goods

from foreign countries, which might not be disposed to take any other commodity from us; to enable persons emigrating, to take their property along with them, in the shape of gold and silver, if they should wish to do so; to enable persons, disposed to store up metallic property, to do so, either in their own possession, or elsewhere; and for some few other purposes of a similar kind.

One description of coin would answer perfectly well for all the foregoing, and similar purposes,—namely, *ounces* of gold and silver, bearing a stamp, to prove at once their purity and weight.

The second class of purposes for which coins would continue to be required, is to enable us to make small purchases and payments; for it is evident, that notes of twenty shillings value can never enable us to buy pennyworths of goods. The specific value of the pound note will be defined in the next chapter.

Besides making the said ounces of gold and silver, another business of the coin manufactory, then, should consist in converting the quantity of silver obtainable for a pound note, into twenty pieces, whatever that quantity may happen to be at any given period. This would give us shillings, and

coins of half the weight, sixpences. Another coin, the penny, should consist of *the two hundred and fortieth part of the quantity of copper, obtainable for a pound note*, whatever that quantity may happen to be at any given period. The halfpenny to be half the weight of the penny above defined, and the farthing to be half the weight of the halfpenny.

The foregoing commodities being manufactured to a sufficient extent, to supply the ordinary demand for them, are to be forwarded, on demand, to the accredited agents of the association; and for the gold, silver, and copper, of which these coins are to be manufactured, money—paper money—must be paid in the ordinary manner,—that is, to be drawn from the Bank by the agent of the coin manufactory, as he requires it, for the purpose of buying gold, silver, and copper.

The foregoing principle, upon which it is submitted that specie ought to be made, will, I feel assured, bear the test of the strictest scrutiny and investigation. Like the gold of which it treats, the more it is subjected to the fire of criticism, the brighter it will shine, and the more obvious will its *infallibility*—and I hesitate not to use this word—become. A few questions, however, which may probably arise in the mind of the

reader, relating to this subject, may as well be answered as we proceed.

Question first.—The agents, then,—that is, the manufacturers and others,—are not to pay their men exclusively in paper money, which, indeed, would be impossible, because, as you do not propose to use any paper money of less value than a pound, silver and copper will be required, for the purpose of making small payments; and to meet this exigency, you propose that the agents are to draw at pleasure coins, as well as notes: how, in this case, is the quantity of paper money in circulation to be exactly equivalent with the goods in the public stock, since a *part* of your payments is to be made in coins, which are liable to be melted down, or to be exported to other countries?

Answer. Although the agents would pay a part of the wages in coin, the difference would always be exactly made up in another place. Thus, suppose, first, that the weekly wages of a given manufactory are £100, and that *no portion* of that sum is paid in coins, but all in paper. In this case, the paper money issued, and the value received in labour from the operatives, will be the same, namely, £100. Suppose, secondly, that the wages, £100, are paid *half in coins* and half in

paper. In this case £50 worth of paper will be issued by the agent of the manufactory, and £50 worth by the agent of the coin manufactory, who must have paid in *paper money* precisely that sum for the coins before he could have remitted them to his brother agent. The paper, therefore, in circulation is still £100. Suppose, thirdly, that the operatives take *coins only* in payment of their wages. Then the whole sum of £100 paper will have been issued by the agent of the coin manufactory. Put it, therefore, whichever way you will, the result is precisely the same: if the one agent do not issue paper to the exact value of the property received into the national stores, the other makes up the deficiency, whether it be great or small.

Question second. If the operatives, who are here supposed to have received coins, choose to spend them abroad, or to melt them down for the purpose of being manufactured into plate, will not this affect the equality of supply and demand?

Answer. Let them do with the coins whatever they please. Coins are here put upon the same footing as bread. The operatives may eat them if they please, or spend them in China. *Paper money* has been paid for

the coins ; and being but paper—a receipt—it must at one time or other be presented for payment at the national stores, if the holder intend to get any thing for it ; for at no other market will it sell for a penny, except as a means of buying at the national stores, which comes to the same thing. Demand, therefore, must still keep pace with production.

Question third. But who will give gold, and silver, and copper, for your paper promises ? how is the coin manufactory to supply the numerous demands that will be made upon it for coin ? how is it to get silver and copper sufficient to make so large a quantity of coins as may be required to replace those which may be exported, or otherwise, as has been already mentioned ?

Answer. The answer to this question is important, because it will shew the principle in a very conspicuous manner. The coin market will be supplied in one of two methods,—either by repurchasing from the vending agents the coins that they receive in payment for goods bought of them, or by purchasing metal from foreign merchants or others, and manufacturing it into coins. To suppose that foreign merchants would not

give us metal for our paper promises, is equivalent to supposing that they would not take *any thing whatever* that is to be found in our markets in exchange for their bullion, because the said paper promises would be the representatives of *every thing* we have to dispose of, gold and silver included. The quantity of coin, indeed, required for the convenience of small purchases, would be very small indeed, compared with what it is now, because it would run from the mint to the agents, and from the agents to the mint, with wonderful celerity; but whether it should perform its revolutions quickly or slowly, *there never could be any deficiency of coin*; because if the pound note should come by degrees to purchase but the half, or the quarter of the weight of metal that it does at present, that quantity, be it whatever it might, would still be divisible into twenty parts, each of which would be as good a shilling as ever. A rise in the price of bullion might be a serious misfortune to snuff-box amateurs, and lovers of silver candlesticks, dish-covers, &c.; but no rise or fall either, in the price of bullion, in as much as it would always be gradual and trifling at any one period, could disarrange or throw into a moment's disorder, any commercial society,

conducting its exchanges upon the principle that is here defined, because the *principal* instrument of exchange would always be paper, increasing and decreasing with the aggregate of produce.

Question fourth. How is the account of the coin manufactory to be balanced with the National Bank?

Answer. In precisely the same manner as that of every other manufacturer, thus:— Paper money got from the Bank, £1000. Coins sent to accredited agents, £500. Coins in hand, £500. Together, £1000.

Question fifth. What are the vending agents, who receive coins in payment for goods, to do with them?

Answer. Return them to the coin manufactory, taking in exchange for them, *from the coin manufactory*, paper money to the same amount.

The foregoing are amongst the queries likely to arise out of the view that has been taken of this subject; and I know of no difficulty connected with it, which I have not here thrown in my own way for the sake of removing it. Many other difficulties may

perhaps arise in the minds of other men ; but I firmly believe, that not one can be stated but which may be easily and satisfactorily answered. *Right principles can never lead us wrong* : I believe the principle to be right, and if any man will take the trouble to shew that it is wrong, I will be the first person to admit that he has done so. I am in search, not of converts to a particular doctrine, whether that doctrine be right or wrong, but of utility and truth. To convert a man to the belief of error, is about as meritorious as to debase a temperate man into a drunkard.

Money, intrinsically valuable, never can become an immutable standard of value. Money of no intrinsic value, can ; and it is only by the adoption of an immutable standard of value that goods, continuing to cost the same labour in their production, can continue to maintain the same price in the market.

It is evident, indeed, from what has been already said upon the subject of coins, that, as far as the mere effecting of exchanges is concerned, coins might be used of a fixed weight, by reducing the price of wages and other money remunerations, as the precious metals should come to be comparatively scarce,

either from the greater demand for them, arising from a great increase in the production of other things, or from any other cause. But, whenever such a change should take place, the inevitable effect of it would be to lower the price of all the manufactured and agricultural stock on hand ; to cause all sales for months to come to be effected at a loss ; to increase the taxes and the value of all fixed incomes ; to alter the value of leases ; to increase the claims of the national creditor ; and, in a word, to throw the whole commerce of the country into the same kind of inextricable perplexity and confusion, as that which now exists ; whereas, by the adoption of the plan of exchange that is here described, goods of every kind would be made to pay for each other. Selling would be merely the act of lodging property in a particular place ; buying would be merely the act of taking of it back again ; and money would be merely the receipt which every man would require to keep in the interim between the period of selling and that of buying.

The next and last thing to be considered under the head of exchange, is the exportation and importation of goods,—one of the

subjects about which there is at present abundance of disputation, and which is also an evidence how completely the plain, obvious, and common sense view of things is lost in our commercial labyrinth.

The constitution of society very much resembles, in some respects, the constitution of its individual members. To eat, to drink, to sleep, and to take exercise, are clearly pointed out by nature as proper for the human body, and the inability to do any one of these with advantage, is ample evidence that the body is in a diseased state; and it is obviously the interest of society to procure, by the most easy and direct method, whatever contributes to the enjoyment of life. Yet we have arguments in abundance against machinery, the natural tendency of which is to facilitate the production of every thing to which it is applied; we have arguments against free trade, the natural tendency of which is to enable us to purchase whatever we require wherever we can buy it cheapest. And there may be reason in some of these arguments; but, if there be, then is the constitution of society diseased; for it is as impossible for a healthy society to manufacture goods too easily, or to buy them too cheaply, as it is for a healthy man to find his

advantage in abstaining from the use of food and exercise.

The object of exporting goods is, that we may import others. The exports and imports of a country must always, in the aggregate, be of equal nominal value, and it is here, and here only, that there is any use for large sums of money intrinsically valuable ; and even in the consideration of this branch of the subject, it would, perhaps, be better to abandon the word money altogether, as applicable to any thing but paper.

Every distinct branch of trade, commerce, and manufactures, would require to be conducted by a committee of men, (members of the Chamber of Commerce,) thoroughly and practically acquainted with it ; and the direction of foreign commerce, both as respects exportation and importation, would necessarily form one of the most important duties of these committees, the *principle* of acting being to import whatever we should want and could buy, with less British paper money than it would cost to produce it at home, and to export whatever we could sell for more British money than it should cost.

Goods imported must be paid for in goods or money ; for it is clear that the vender, whoever he may be, will require something

in exchange for his commodities, and whatever it be, he has only to expend the paper money he receives for his commodities, in purchasing it at its respective market. If he should require British goods, he will, previously to selling his own, make himself acquainted with the price, in British money, of those he wishes to purchase, and fix the price of his commodities accordingly; and if he should require gold or silver, he will do precisely the same thing; that is, he will previously ascertain their price per ounce in British paper money, and make his bargain accordingly. The principle of exchange here advocated being once fairly set on foot, restrictions of any kind upon the freedom of trade would soon cease to have a single advocate.

It is to be understood, that in this chapter, as in the others, I have merely attempted to give an outline of an improved system of commerce, and I hope, that as far as I have gone, the description has been sufficiently full to make known the principles of a totally different and infinitely better system of exchange than that on which we are now acting. To follow out the principle to its fullest extent, by explaining the various modifications which would be necessary to suit the peculiarities

of different employments, it would be necessary to extend the work very far beyond the limits of the present intention. The principle is equally applicable to every trade; and it may be affirmed, with a degree of confidence amounting to certainty, that it is *totally impossible*, by any means that the ingenuity of man can contrive, ever to govern this, or any country, in such a manner as to ensure the general prosperity of its people, until the existing plan of exchange be uprooted from society, and another substituted for it, by which production would be rendered the constant cause of demand,—demand keeping pace with it, though production should be multiplied a thousand or a million fold.

This being effected—and it may easily and very quickly be effected—I will confess my total inability to comprehend how, in the present very advanced state of productive science, there could be any such thing as unmerited poverty, or any thing the least resembling it, in any civilized nation upon the earth.

The evil of society is not of a comparative, but of a positive nature. A defective system of exchange is not one amongst many other evils of nearly equal importance: it is *the* evil—the disease—the stumbling block of the whole society. Commerce is a species of

machinery, requiring a multitude of parts consistent with each other to make it work well, and a single error now throws the whole into confusion. An immense machine having a single faulty wheel, one tooth too few or one too many, entirely frustrates the object of the whole,—and so it is with commerce: this one error deranges the working of the whole system; and though it may be difficult or impossible for a humble and unknown individual to arouse mankind to a due sense of its importance, *time* will do it, and future ages will look back with astonishment upon the miserable ignorance of the present generation upon this all-important subject.

The most that can be immediately expected, perhaps, is to bring this subject into public discussion, and if I should be so fortunate as to effect this humble object, I shall be more than repaid by the satisfaction of feeling assured that I have cast my mite into that ever accumulating fund of knowledge by which man must ultimately be emancipated from the miserable thralldom to which he is at present consigned.

Little importance is attached to the details of the plan here promulgated; indeed scarcely any are given. They may be modified and altered, perhaps, in a variety of ways; but it

would have been difficult to combat the *great error* without shewing, in theory at least, the effect of a different system of exchange. Dismiss what you please—alter what you please—modify what you please—but preserve, not in the shape of a quibble or a quirk, but in a direct and obvious manner, the one principle, and the rest will follow, substantially at least,—make production the cause of demand: do not do this, and be you whig or tory, radical or reformer, aristocrat, republican, or political economist, if you expect to see any considerable change for the better, in the condition of society, you are an Utopian, a visionary, an enthusiast, a man stone blind to the principal cause of human trouble and distress. There is a wall of adamant between you and the object you would embrace, and you can neither climb over it nor get round it. You, assisted by others, may easily remove it, provided you are first made to see that it is there, and that your case is entirely hopeless until it is away: but the fleetest horse can win no race so long as he is shut up in the stable, and neither can your visions of prosperity ever be realized, until you knock off the chain of commercial error by which you are now bound to adversity.

CHAPTER VI.

Distribution—Observation upon the nature of the theory here advocated—Importance of considering the national debt in fixing the rate of wages—The proper average of wages defined—Wages—Salaries—National charges—National capital—Education—Insurances—Incapacity—Depreciation of stock—Unproductive labour—Change of employment—Taxes—National balance sheet—Business for Mr Hume—Conclusion of the Chapter.

THE observation will, I think, be allowed to be just, that the theory of free trade, *domestic* as well as foreign, which is here advocated, is, upon the face of it, better entitled to an impartial examination than many others, for the reason that it stands altogether aloof from those violent *feelings* of the mind, which so often lead us headlong into the wildest suppositions.

There are certain terms in our political vocabulary, the mention of which has too frequently sent the multitude in quest of a Will-o'-the-wisp. The national debt, taxes,

liberty, freedom, rights of the people, and sundry other expressions, are in themselves volumes of argument in favour of any theory, the professed object of which is to support the popular side in all that relates to these matters; and too often has this short-hand of oratory been used in the stead of well founded and consistent argument. The tax-gatherer, it is said, *comes home* to us; not, indeed, to give, but to take away. We *had* a guinea—we *have* it not—the tax-gatherer has taken it from us; and our organs of acquisitiveness like not the man, or his trade, at least, is odious to us. All schemes, therefore, for getting rid of taxes have an advocate before-hand in the feelings of every man, which sufficiently accounts, not only for the general, but most erroneous, opinion, that the taxes are the great evil of the country, but also for the frequency of disappointments resulting from the faith that is put in every scheme having the reduction of taxes for its object. A theory, on the other hand, which appeals solely to the reason and judgment, has no such friend at court; and yet it is evident, that the man who does not object to bank notes, gold, or silver, as instruments of exchange, but who merely says that the same tools may be used in a better way, is more

entitled to a patient hearing than the mere declaimer against taxes, because he can only have arrived at his conclusions by the exercise of thought : feeling or prejudice can have had but little to do with such an inquiry.

Another reason of the same kind is, that this theory has the advantage of standing aloof from all disputed points upon the subjects of morals and religion.

Food, clothing, habitation, and furniture, are produced by the skill, industry, and physical resources of mankind. A certain standard of integrity and regularity of conduct is undoubtedly necessary to the existence of a society trading upon any principles ; but amongst the followers of all religions, these qualifications are now sufficiently common for the mere purposes of working, buying, and selling ; and their farther advance is much more likely to be the consequence of physical improvement than the cause of it. The system of commerce here contended for is consistent with individual competition in bodily and mental occupations, with private accumulation to any amount, with all forms of political government having the least resemblance to fairness or freedom ; and it is one in which Christian and Jew, and Turk and Infidel, may unite so as to confer mutual

benefit upon each other, without the slightest hinderance from their conflicting religious creeds, and, so far as the great mass of them is concerned, without the necessity even of knowing that they are acting upon any concerted plan. The plan here advocated requires rather a rearrangement of parts than an alteration of them individually; and if it were established—and established it may be, without a single compulsive law—the population of this country could not fail to be fully employed, and physically well provided for. Add to this a system of education for the “formation of character,” upon the best model that can be discovered, and then we shall have the millennium at once, the speedy commencement of which Mr Irving is said to have already announced. Why not make him a true prophet!

Our present consideration, however, is not the millennium, but the distribution, or division, of the products of labour amongst the different classes of society: and this should be effected by the ordinary process of paying money to the various members of the social community, as the reward of their labour, in sums proportionate to the value of them. This subject we shall consider under the respective heads of wages, salaries, national

charges, and taxes. But there is one preliminary to be noticed—a vacuum left in the last chapter, to be filled up in this—the pound note has yet to be described.

Money, upon the system proposed, being merely a measure of value, and itself of none, the price of wages and of salaries is of no moment whatever, provided it be properly apportioned, so far as regards any part of the system, save only with reference to the government taxes and the national debt. And here a subject of the deepest importance presents itself for our consideration.

The national debt having been in course of contraction for a long period, during which, owing chiefly to variations in the amount of paper issues, money was sometimes of one value, and sometimes of another; the national creditors, speaking of them individually, never can be justly repaid, because it is impossible to ascertain now what was the value of the different sums when they were borrowed. The government, therefore, should institute an inquiry into this subject, and, having ascertained, as nearly as may be practicable, the various values of a pound sterling *in wages* during the time the debt was contracting, they should strike a general

average as equitably as they can, and having declared their opinion that, on an average of the whole period, a pound sterling, or whatever sum it prove to be, would have purchased an *average* week's labour of a mechanic or labourer, *that sum*, be it whatever it may, ought to be the price now fixed as the average wages of labour, in paper money.

And on the subject of the price of labour, no decided step should be taken without a mutual agreement between the government and the Chamber of Commerce : the government, consenting to receive the national paper money in payment of the taxes, ought also to consent to that money being of the value here defined.

And although the national bank note should be of less value than the pound which is now in general circulation, and in which all government engagements are of course paid, no mischief or inconvenience could arise ; because, if the new money should prove to be insufficiently valuable to fulfil the intentions of government, that is, if it should have the effect of *reducing the quantity* of the necessities and comforts of life now obtainable for the respective salaries of the government dependants, then both the salaries and taxes might be immediately increased to

a sufficient extent to make up the difference, and thus justice may be done to all parties.

The importance of keeping the debt in view is incalculable ; because, if the national creditor should be repaid in money of more value than that which was borrowed of him, then is the debt itself increased ; that is, if the money he receives back will buy the labour of two men for a week, whilst that which he lent bought only the labour of one, the debt is in effect doubled ; and, on the other hand, if the national creditor be repaid in money of less value than that which he lent, then is he defrauded.

The average price of labour, therefore, should be a subject of mutual consultation and agreement between the government and the Chamber of Commerce ; and being once settled on equitable principles, *it never need be altered*: it may remain the same to-day, to-morrow, and for ever ; for there never could be any greater inducement to alter it than there now is to alter the *weight* of the piece of metal called a pound, the *size* of the vessel called a pint, or the *length* of the measure called a foot rule.

The average price of labour being once determined, upon the principle here laid down, we should have attained, for the first

time since the days of Adam, an *immutable standard of value*. For, if it were determined that a pound, for example, should be the payment for the labour of one man for a week, consisting of six days, or seventy-two hours in an *average* employment, a pound note from that time forth would be just another name for a *week* of reasonable exertion. And, as has been already said, there never could be any motive for altering this standard, because, to halve the price of wages or to quarter it, to double or to quadruple it, would amount to nothing: it would be a change in words only, none in things, provided that the amount of salaries, and of all other money remunerations, were always made proportionate to the average price of common labour. Goods under this system could never fall in price, except from increased facility of production, and they could never rise in price, except from increased difficulty of production.

Were it not for the taxes and the national debt, it would be of no consequence whatever what should be the money price of labour, provided only that it be paid in money divisible into a sufficient number of small parts, to facilitate the making of small purchases. A penny, for example, would never answer

the purpose of paying a week's labour, because, although the price of commodities should be so low that a penny would be liberal wages, the week's consumpt being made up of a great number of small purchases, it would be necessary that the wages should be paid in money divisible into small parts. The proposed pound note, however, is divisible into 960 parts; and, therefore, it, or the half of it, would answer quite well, so far as regards convenience.

From misapprehension, an objection may here arise in the mind of the reader, which it may be as well to anticipate and to refute, before we proceed:

Question. Setting aside, then, the consideration of the taxes and the national debt, a penny—a *metallic* penny—you say, would be as good wages as a pound, excepting only on account of the inconvenience arising from its being, according to present usage, divisible into but four parts, namely, farthings: What is to prevent people from *coining* copper into *pence*, and therewith buying up all your national stock?

Answer. It is fully explained in the last chapter, that the word penny means a coin consisting of the two hundred and fortieth

part of the quantity of copper obtainable for a pound note. If, then, the weekly wages of labour should be fixed at a penny, the pound note would buy the labour of 240 men for a week, in whatever average occupation they should be employed. Suppose, then, the 240 men to be employed in working a copper mine, the *money price* of all the copper they should procure in a week would be a pound, and the *weight* of a penny would be the weight of the *quantity of copper* procured by one man in a week of seventy-two hours. A penny, therefore, it is presumed, would be a rather more *weighty* affair than my supposed querist took it to be at first sight. And this illustration proves two things : first, that the supposed objection is altogether groundless, because a man could *gain nothing* by coining copper ; and, secondly, that copper is not a sufficiently valuable commodity to be used as a *principal* metallic instrument of exchange.

WAGES.

The average price of wages, then, as fixed by the Chamber of Commerce, upon the principle here defined, would be the price to be paid weekly for all the ordinary operations

of the productive classes ; and the agents, as has been described in the last chapter, are to draw whatever money they require from the Bank, and to pay the wages of the persons employed under them in the national money. And it is evident that no motive could exist for any agent ever to beat down the price of labour, or to wish to pay a less sum to the persons employed under him, than their exertions should be really worth.

But to the general rule of paying an average price for labour,—that is, a fixed sum for a certain number of ordinary hours' work weekly,—there would, of necessity, be some exceptions, arising from the inequalities of the employment itself. In the celebrated work of Dr Adam Smith, these inequalities are thus described :—“The five following are
“ the principal circumstances which, as far as
“ I have been able to observe, make up a
“ small pecuniary gain in some employments,
“ and counterbalance a great one in others.
“ First, the agreeableness or disagreeableness
“ of the employments themselves ; second,
“ the easiness and cheapness, or the difficulty
“ and expense, of learning them ; third, the
“ constancy or inconstancy of employment in
“ them ; fourth, the small or great trust which
“ may be reposed in those who exercise

“ them ; and, fifth, the probability or improbability of success in them.”

These variations, which are as applicable to the Social System proposed, as to the unsocial system existing, may easily, as it appears to me, be regulated, partly by fixed scales of payment for different employments, allowing something more than the average for some kinds of work, and something less than the average for other kinds ; partly by an allowance of time, rewarding ten or eleven hours labour in one employment equally with twelve in another ; and in part by allowing a very small discretionary power to the accredited agents of the association ; but this discretion, an evil in itself, should be always confined within the narrowest possible limits.

SALARIES.

The direction and superintendence of labour are just as essential to production as labour itself ; but as the man who merely plans, directs, superintends, and regulates production, has nothing to shew for it in a tangible form, he can only be remunerated by a rate, or tax, upon the *indirect* results of his exertion ; and it would be incomparably preferable to allow this remuneration in the

shape of a fixed salary, than in that of a per centage, or profit, upon the goods produced under his care. It would, indeed, be quite impossible to form any scale of per centage, or profit, in such a manner as to do justice to the persons employed; because an equal degree of care and attention is frequently as requisite in employments, wherein what are called the returns are quite trifling, as in others of ten or twenty times the extent and magnitude. Prescribed duties should always have their prescribed reward, for thus only can the causes of bickerings and petty jealousies be removed; whereas the attempt to establish and maintain any rule of remuneration, founded upon the quantity of products issued from a manufactory, would be a never-ending source of trouble and annoyance.

The *average* wages of the agents, therefore, that is, the wages of superintendence and of direction, should also be a *fixed sum*, having a proper relation to the price of common labour; and the variations from this average should be regulated by precisely the same principles as the variations in the price of common labour.

The salaries of the agents should be fixed at a much higher rate than the wages of common labour, upon the grounds of responsibility,

and the superior qualifications required. Liberal payment would also be a great incitement to good conduct, by causing these offices to become an object of competition whenever a vacancy should take place. In opposition to the opinion of some persons who will read this book—I allude to a numerous class of individuals who are now in a greater or less degree favourable to the plans of Mr Owen—I look upon all systems of equality as unjust in principle, and quite impracticable. Nature, the guide which, in these matters, we all profess to follow, recognizes no system of equality as respects mankind; on the contrary, she dispenses her favours very much in proportion to the industry with which, in accordance with her own laws, they are sought to be obtained. The system of nature appears to me to be completely demonstrated, by every pain we suffer, and by every pleasure we enjoy, to be throughout a system of rewards and punishments.

Then, as we rise still higher in the scale, we have to consider the salaries of the president and members of the Chamber of Commerce. And here would be required a very different set of men from fox-huntingsquires and radical orators. The business of the Chamber of Commerce being divided amongst the nume-

rous committees, none but men thoroughly acquainted with the details of the respective trades they should represent, could be of any use; and to knowledge acquired by having passed through all the stages of employment, must be added experience, talent, industry, perseverance, and integrity. The remuneration must be proportionate; it must be sufficient to induce the most valuable members of society to relinquish their other pursuits, whenever they should be called upon to fill these, the first offices of the commercial state.

The saving in this one branch of the national expenditure, (I mean the substitution of an appointed body of men, with very liberal salaries, for those locusts of the commercial world, master farmers, manufacturers, warehousemen, and shopkeepers, who now eat up the rest of society, and, being still hungry, each other into the bargain,) could not, I feel assured, be less than *ninety millions a-year*, being a sum nearly twice as large as the whole amount of the taxes. By looking to numbers 25, 27, 28, 29, 30, 33, 34, 35, and 38, in the Map of Society, chapter ninth, the reader will find, that the enormous sum of £ 136,915,600 per annum, is the present estimated price of *managing* the business of society. There is not a man in existence who has any practical

knowledge of business, who will not instantly admit, that the whole of this work might be infinitely better done for a third of the expense; for the salaries of warehousemen, shopmen, and clerks, are *not* included in it. I take it then at a third, and say in round numbers that ninety millions a-year may be saved in this one branch of the public expenditure; and I use this term, because, so far as the general interests of mankind are concerned, this, and all other descriptions of *unproductive labour*, are as justly denominated “branches of public expenditure,” as any purposes to which the government taxes are applied.

NATIONAL CHARGES.

NATIONAL CAPITAL. — The first subject to mention under the head of national charges, as in a commercial point of view it is the most important, is the establishment of a national capital, without which, every attempt to improve the condition of mankind to any great extent, must ever prove futile and abortive. It would, therefore, be necessary to make a charge, for the purpose of paying the rent in the first instance, and of ultimately buying, keeping up, and gradually increasing, as circumstances should require, a national

capital, consisting of land, mines, manufactories, warehouses, shipping, machinery, implements, and, in short, of every thing required in the production, exchange, and distribution of commodities.

EDUCATION. — Second in importance to the subject already mentioned, is that of education; and it is second instead of first, only because it must be a consequence of the establishment of a national capital. In the present state of society, the facilities for production are so great, that we can well afford to keep in useful but unproductive employments, a very large portion of the population: and if freedom of exchange existed, there would be no excuse for a single individual in this country receiving any thing short of the best possible education which the present state of human knowledge can afford.

The education of an individual is a matter of public importance. A bad or ignorant man is an evil to himself, but he is a tenfold greater evil to society. It is, therefore, more the business of society collectively, than of its members individually, to use every attainable means of removing ignorance, and of preventing crime: and nations ought to pay for that which is so essential to their

well-being and prosperity. It is to the superior intelligence of man, that the species is indebted for every thing it possesses above the brute creation; how then, can it be otherwise than our collective advantage, to advance to the utmost of our ability the intellectual as well as the moral and physical condition of all our fellow creatures? To enlarge upon this subject would be to fill a volume; it is, therefore, merely suggested, that the best possible education ought to be given to every son and daughter of Britain, at the expense of the nation. Private establishments should be done away with entirely, by the establishment of public schools upon so superior a plan, that *every* class of society would prefer them.

The numerous hackneyed objections to the liberal education of the lower classes, are altogether beneath contempt, and unworthy of being noticed even for the sake of refutation. There is no reason whatever, except in the absurd customs of society, why a ploughman should not become a minister of state, or why a minister of state should feel himself degraded by following for hire the plough. The world has seen instances of this kind; it may see them again; and if ever the day should arrive when a national

committee of education shall be appointed to see that every individual, male and female, be properly, that is, thoroughly instructed, the country cannot fail to reap a rich harvest of reward.

One very serious error in the existing plan of education is, that boys who have their own bread to earn, first receive a book education, and are then put to learn a trade. During the first process, they almost never fail to acquire ideas above their station in life, for the natural station of every man is that of a *producer* of that which he consumes; and during the second, they are generally compelled to relinquish entirely both mental improvement and recreation.

In Scotland—in Edinburgh, at least—this is much less the case than it is in England, and particularly in London; but it will be allowed by those who have the best means of knowing the fact, that, in a great majority of cases, education ceases entirely amongst the lower and middling classes whenever a boy leaves school.

Habits of industry, physical as well as mental, suitable to the age and sex of youth, should be inculcated by practice, as well as by precept, from a very early period, until far beyond that age which generally terminates

the education of the lower and middling classes, in the present state of society.

Homer and Virgil,—if, indeed, the ability to read them in their own language is worth the labour of acquiring,—Euclid, history, geography, natural philosophy, social science, polite literature, and the fine arts, especially music, as well as personal and mental accomplishments, should be made to walk hand in hand with the spade, the loom, and the plough. A nation of men thus trained and educated would annihilate for ever that most contemptible of all earthly absurdities, the contempt of useful labour. Pride, but little tolerated even now, would hide its diminished head within the folds of its own buckram; and a titled coxcomb—a scarce character, too, perhaps, in the present day—would shrink into a nonentity before a tribunal of his own labourers.

Mr George Combe says, (*Constitution of Man*, page 214,) “Political economists have “never dreamt that the world is arranged on “the principle of supremacy of the moral sentiments and intellect; and, consequently, “that, to render man happy, his leading “pursuits must be such as will exercise and “gratify these powers, and that his life will “necessarily be miserable, if devoted entirely

“ to the production of wealth. They have
“ proceeded on the notion that the accumu-
“ lation of wealth is the *summum bonum* ; but
“ all history teaches, that national happiness
“ does not increase in proportion to national
“ riches ; and, until they shall perceive and
“ teach, that intelligence and morality are the
“ foundation of all lasting prosperity, they
“ will never interest the great body of man-
“ kind, nor give a valuable direction to their
“ efforts. If the views contained in the
“ present Essay be sound, it will become a
“ leading object, with future masters in that
“ science, to demonstrate the necessity of
“ civilized man limiting his physical, and
“ increasing his moral and intellectual, occu-
“ pations, as the only means of saving himself
“ from ceaseless punishment under the natural
“ laws. The idea of men in general being
“ taught natural philosophy, anatomy, and
“ physiology, political economy, and the other
“ sciences that expound the natural laws, has
“ been sneered at, as utterly absurd and
“ ridiculous. But I would ask, in what occu-
“ pations are human beings so urgently en-
“ gaged, that they have no leisure to bestow
“ on the study of the Creator’s laws ?”

Mr George Combe will take a very different
view of the *immediate* practicability of all this,

if he will bestow a solitary month's mental labour upon the subject of supply and demand.

INSURANCES.—Another national charge should be made, to cover the unintentional loss or damage of private property, occasioned by fire ; no individual premiums being paid, books kept, or expensive establishments, with their intricate and superfluous appendages, supported. *Proof* of unintentional loss ought to constitute the legal claim for reparation. Shipping insurances would be altogether unnecessary, because shipping being national property, when lost, would be national loss, and to insure it, would merely be to incur the expense of keeping an account of money taken out of one pocket, and put into another.

Life Insurances might be conducted upon the existing plan : they might, indeed, be conducted in the same plain and unexpensive manner as fire insurances, provided all persons should insure their lives; that is, provided the Chamber of Commerce should do it for them, by establishing a fund for the maintenance of the superannuated, widows, and orphans. But this, as it appears to me, would be an undue interference with the right of private judgment in a matter not affecting the public good. Why, it may be said, should bachelors

be taxed for the purpose of keeping other people's wives and children? The same objection does not hold with respect to fire insurances, because, old and young, rich and poor, married and single, are all liable to suffer from this calamity.

INCAPACITY,—mental or physical, should form another item of national charge, that the afflicted in all cases might obtain assistance as a matter of right, instead of as a matter of charity. Much has often been said in praise of charity: does it not generate the pride of affected sensibility and benevolence in the mind of the giver, and inflict an irremediable wound on the mental independence of the receiver? And is not its existence in a country, which is for ever complaining of over production, a libel upon common sense? What a capital subject the following would be for a committee of the House of Commons: Uncultivated lands — capital unemployed — redundant population — over-production — poverty: reconcile them!

DEPRECIATION OF STOCK. — All persons who are practically acquainted with business, are aware that with whatever degree of judgment and caution goods are manufactured, bad

stock will accumulate in some instances, whilst in others, goods of a very perishable nature will become entirely valueless. This must ever be the case so long as goods continue to be made before they are sold, that is, not made to express order; and therefore the unavoidable loss so occasioned should form another item of national charge.

UNPRODUCTIVE LABOUR.—Besides the unproductive labour of direction and superintendence, many persons are constantly employed in useful operations, for which there is nothing to shew, or rather by which no additional wealth is created. Such, for example, is the occupation of conveying goods; as also are those of warehousemen, shopmen, and clerks: this expense, therefore, should form another item of national charge. Professions will be considered separately.

CHANGE OF EMPLOYMENT.—Whenever a man betakes himself to an occupation which, at the time he enters upon it, is useful and necessary to the well-being of society, but which, by the introduction of machinery, or any other unforeseen cause, comes to be afterwards superseded; it is quite monstrous that the person so thrown out of employment

should not be made a partaker, to the full extent with others, of the benefit so arising to society, by the establishment of a national provision for his support, until he can be otherwise profitably employed.

It is one of the absurdities of the present system, that those persons who have incomparably the best opportunity of discovering how improvements in machinery may be effected, are directly interested in preventing the advance of mechanical science! What a fool is a man, in the present state of society, to tell his employer how his loom, for instance, may be improved! It is tantamount to saying, "Master, I can shew you how I "and my family may be allowed to starve." And yet so great is the strength of that feeling in the human mind, which the phrenologists call "love of approbation," that men do this every day in the year.

How much faster, however, would mechanical science advance, if every operative in the country, being previously well educated, had, what he ought to have, a direct and obvious interest in superseding his own labour! So long as men are little better than beasts,—so long as, in a state of barbarism, every man eats, drinks, and wears almost nothing but what is procured by his

individual exertions,—selfishness is the true principle for every man to act upon; but nations have yet to learn, at least practically, that, in an advanced state of society, selfishness—true, genuine, unalloyed selfishness—consists in the practice of an almost unbounded generosity.

A mere change of fashion, in the present day, has frequently the effect of consigning thousands to a state of destitution. “In addition to the fluctuations arising from the changes from peace to war, and from war to peace, it is well known,” says Mr Malthus, “how subject particular manufactures are to fail from the caprices of taste. The weavers of Spitalfields were plunged into the most severe distress by the fashion of muslins instead of silks; and great numbers of workmen, in Sheffield and Birmingham, were for a time thrown out of employment, owing to the adoption of shoe-strings and covered buttons, instead of buckles and metal buttons. Our manufactures, *taken in the mass*, have increased with prodigious rapidity, but in *particular places* they have failed; and the parishes where this has happened are invariably loaded with a crowd of poor, in the most distressed and miserable condition.” The

“ mass,” then, I say, ought to have supported the inhabitants of the “ particular places,” until they could be otherwise advantageously employed ; and all persons whose labour is superseded by improvements, or by any other cause, excepting always, and only, the want of capital to employ them,—a want which could never exist under the Social System,—ought to be sufficiently provided for at the public expense, until other employment could be *offered* to them ; for it is thus, and thus only, that the national mind can be enlisted in the national service.

TAXES.

In the shape of an equal per centage upon every kind of produce except coin, the only fair and rational way in which they ever can be paid, the government taxes, under the proposed system, might be collected at no expense. As all goods would pass through the national warehouses, where, to their cost in labour and material, would be added the per centage required to meet the several expenses of salaries, and those that have been described under the general designation of national charges, there might also be

added an additional per centage to pay the expenses of the government ; and thus only can the taxes of the country be made to fall equally upon every man, in exact proportion to the amount of his income.

It may be disputed to this, perhaps, that a large portion of society would continue to carry on business upon the old plan, compulsion to join the new ranks being entirely abjured ; and, therefore, that if all the other taxes should be taken off, and an equal per centage upon every kind of produce substituted for them, the lovers of antiquity would escape taxation. But this is impossible, for the old plan of society could no more compete with the new, than can the coaches and four compete with the coaches and steam at Liverpool. The old system of commerce would be entirely annihilated in a very few years—and, until then, the present plan of tax-gathering might be continued—by the irresistible effect of a well regulated system of producing, exchanging, and distributing the produce of the country : for the enormous saving, in the item *unproductive labour*, which would result from the plan of exchange here contemplated, would so completely distance every kind of competition, that the mere

saving of the government taxes would amount to nothing whatever, in the way of inducement to continue in the old system, even though it should be absolved from taxation altogether.

Thus, upon the system of exchange proposed, the various items that have been enumerated under the respective heads of wages, salaries, national charges, and taxes, would form the aggregate of *price*; and, as has been shewn in the last chapter, the money issued, and the property in the national stores, would always be of exactly the same value; and therefore demand would ever keep pace with production.

The consumption of commodities, in works on political economy, generally forms the subject of a distinct chapter; but this appears to be quite unnecessary here. Food is consumed when it is eaten, and clothes, houses, and furniture, when they are worn out. Let production, exchange, and distribution, be regulated upon equitable principles, and we may be quite content to leave consumers to the course prescribed by their own taste and disposition. There is, however, what the political economists call "productive consumption," which means the consumption

of hemp when it is converted into cloth, the consumption of malt and hops when they are converted into ale, and the consumption of seed when it is converted into a crop, &c. Consumption of this kind, however, is merely another name for a process in producing. Malt and hops, intended to be used for brewing, are ale and porter in an unfinished state. The very name "productive consumption" is bad; it would puzzle a conjuror. This subject has, it is hoped, been made sufficiently plain in the chapter on production, to which it properly belongs.

Upon the plan described, then, the annual produce of the labour of the association would always be exactly equal to the annual issues of the Bank, because, as the Bank is to pay for every thing produced, the money paid and the property received into the public stock, would always be equal to each other. The following, therefore, would be the items of the national balance sheet.

NATIONAL BALANCE SHEET.

Dr.,—THE NATIONAL COMMERCIAL ASSOCIATION, IN ACCOUNT WITH THE NATIONAL BANK,—*Cr.*

To cash issued to the Accredited Agents of the association for the payment of wages and imported goods, from 1st January to 31st December inclusive,				By cash received from the Accredited Agents of the association, from 1st January to 31st December inclusive, being the whole amount of goods sold or reclaimed during the year, .			
To cash paid salaries, ...				By ascertained value of the stock in the hands of the agents, ...			
To cash paid national charges, viz.				By balance (if on this side) surplus, .			
National capital, ...							
Education, ...							
Insurance fund, ...							
Incapacity fund, ...							
Depreciation fund, ...							
Unproductive labour, ...							
Change of employment, ...							
To cash paid taxes, ...							
To balance (if on this side) deficiency,							
£				£			

Now, the foregoing account would always balance, provided that the per centage laid on goods should be exactly sufficient to produce all the items but the first on the debit side of the sheet; and, by the way, the shortest and easiest way of dealing with the taxes would be for government to ascertain its wants—to name the sum, and to receive it in quarterly payments from the Bank; in which case the whole cost and trouble of collecting the taxes would consist in counting the money, and in making four entries a-year in a cash-book, and posting the same into a ledger: But to return to the balance sheet.

If the two sides should be unequal, and the balance should be *deficiency*, then the per centage must in future be increased; but if the balance should be *surplus*, then the per centage must be decreased in the year following. The per centage never need be altered more than once a-year.

Thus would the business of Mr Hume be reduced to a focus. Salaries, national charges, taxes,—every sixpence saved under any one of these heads would be a clear gain to the producers; and a few economizers, with Mr Hume for their chief, would keep things in order under this system readily enough; for it would be the interest of

every individual in the nation to second their efforts. But the question would no longer be *what tax* is to be taken off? Enforce economy in every branch of the public expenditure, and the balance of the national balance sheet will be *surplus*; and a consequent reduction of per centage will take place as a matter of course. "Reduction of per centage," would henceforth be the reformer's toast, following always that of "The King," at public dinners, and private dinners too.

Importation in foreign bottoms, upon the principles of the Social System, would merely be the allowing of foreigners to be conditional members of our association; the difference between them and ourselves being, that as all the goods produced at home, or imported in our own ships, would be by the sanction or order of the Chamber of Commerce, *all* would be received into the national stores; whereas, of foreign productions, sent by foreigners into our ports, not brought into them by the order of the Chamber of Commerce, *such only* would be admitted into our stores as we should have use, that is, a demand for. In the one case, judgment would be passed before production or importation, in the other afterwards.

With this restriction, if restriction it can be called, the inhabitants of all nations might be admitted members of the National Commercial Association ; and the advantages of this free system of foreign exchange would be, *first*, to cause every thing to be produced wherever it could be produced cheapest ; *secondly*, to increase the number and variety of articles in our own stock ; and, *thirdly*, to reduce the taxes per cent, by making them fall upon a greater amount of produce.

The annual issues of the Bank would, therefore, be equal to the nominal or paper value of all the property created at home, and imported from other countries ; and in no possible case could we do wrong in admitting, duty free, foreign goods into our stock, without any limit as to quantity, for which we should have a corresponding demand ; unless we could make them at home for *less money* than it should cost to import them.

Finally, as land, capital, labour, and freedom of exchange, are the four ingredients of which wealth is composed, it is impossible that any such thing as unmerited poverty could exist in any society founded upon the principles of the Social System, unless it should arise

from a deficiency of one or more of these ingredients.

If, then, we suppose a deficiency of land, the answer is, let more be bought or rented ; and if there is none either to sell or let at home, (look at Ireland,) there are millions upon millions of acres in other countries, over which the hand of man has never yet scattered a seed or directed a plough.

If we suppose a deficiency of capital, the answer is, let the per centage on the sale of produce be increased to a sufficient extent to supply the want.

If we suppose a deficiency of labourers, then will a new era indeed have arisen in the history of human troubles.

And if we suppose a deficient power of exchanging, then must we suppose the non-existence of this system altogether, for its very heart and vitals, bones, sinews, nerves, and muscles, are embodied in the sentence, *Freedom of Exchange*.

Thus, then, it is submitted, that a plan has been demonstrated, by which the commercial wheel of fortune may revolve upon an imperishable axis until the end of time, and every revolution bring forth an increase of produce, until the uttermost ends of the earth shall be cultivated as a garden, and myriads

upon myriads of human beings be added to the great family of mankind. Then man shall say unto his Creator, "We have fulfilled our destiny. We have been fruitful and multiplied; we have replenished the earth, and subdued it; and we have dominion over fish of the sea, and over the fowl of the air, and over every living thing that moveth upon the earth."

CHAPTER VII.

Prevention of Forgery — Opinion stated, that the Forgery of Bank Notes may be entirely prevented — Necessity for a public criterion of genuine notes — Insufficiency of the existing plans for the prevention of forgery — Bank Notes should be all alike — Description of a plan for the prevention of forgery — Reasons for believing that the plan now proposed would be effectual.

IN the preceding pages I have endeavoured to explain my views as concisely as possible, and with but little attempt at illustration ; but there remain a few subjects, respecting which an opinion will probably be looked for in a work in which it is boldly asserted, that the commercial society is wrong, and may be set right. These, therefore, will now be noticed, but *the elements of the Social System*, itself, are to be considered as described in the preceding chapters ; what follows, being rather for the purpose of exhibiting the principles in some of their bearings, than as part and parcel of the System itself.

And, as I have hitherto abstained from indulging in any fanciful speculations upon

the vast changes in the details of society, which would necessarily result from the important commercial changes, the necessity for which has been insisted on, so, on the other hand, I shall not hesitate to state in the following chapters any opinion which appears to be warranted by the facts of the case before us, however much it may be opposed to the opinions of those who have never deliberately considered the subject of commerce, or who have only viewed it through the "dense atmosphere" of existing political ignorance and superstition.

An attempt having been made, in a former chapter, to demonstrate the superiority of paper money, it will be proper to answer one of the objections that may arise to the substitution of it for coin, that is, the supposed greater facility of imitating paper. Substitution, however, is not perhaps the right word, for, in Scotland at least, there is almost no *gold* in circulation at present; and I do not propose to substitute paper for either silver or copper coin.

Having been ~~long~~ impressed with the belief that the forgery of bank notes might be entirely prevented, I wrote an article upon this subject in the year 1827, a few copies of which were afterwards printed and privately

circulated. An act of parliament, however, would have been necessary to carry the plan there proposed into effect ; no use, therefore, has hitherto been made of the idea, but as I have never been able to see any reason to alter the opinion I then entertained, I shall here reprint, almost verbatim, the article above-mentioned, which was as follows :—

To urge the necessity of preventing forgery, if it be possible to do so, would be wasting time and words. The importance of the subject is sufficiently proved by the great extent of mischief that it is constantly producing, and by the valuable time and large sums of money that have been willingly expended in ineffectual attempts to render it impracticable. If, however, the government of this country had endeavoured to devise means for the *encouragement* of forgery, there is no way in which they could have done it more effectually, than by allowing every banker to print his own notes in whatever form he pleases ; but by the adoption of a plan the very opposite to this, combining certain other qualities to be presently described, the forgery of bank notes might be reduced to the smallest imaginable fraction of its present amount, if not altogether annihilated.

To put the public in possession of any thing approaching to perfect security against loss by forgery, it is necessary that there exist some *public* mark, or criterion, of genuine notes. At present there is no such criterion. We ring or look at a shilling or a sovereign, but we put a note into our pockets, or into our tills, unexamined, merely because we are, in general, altogether without means of judging of it. Indeed, so difficult is supposed to be the task of detecting forgeries, that it is commonly believed that bank inspectors, and bankers' clerks, distinguish their notes only by private marks.

The method generally adopted for the prevention of forgery, is to combine superiority, variety, and expensiveness, in the engraving; but these qualities must, by themselves, be quite ineffectual; for there are, at this moment, no less than *thirty-two* banks issuing notes in Scotland alone, and in the notes of different values issued by each of them, there is but little, if any, similarity; indeed, in some instances, the same bank is in the habit of issuing notes of the same value printed from different plates; so, that, supposing each bank to be making use of only three plates, we have at present about

ninety-six different kinds of bank notes circulating in Scotland.

Security here, therefore, against loss by the forgery of these notes, could only consist in a perfect knowledge of, or, at least, in a very intimate acquaintance with them all. This, it is almost needless to say, is quite unattainable; and hence the futility of all plans for the prevention of forgery, which depend merely upon fine engraving.

So far from its being necessary for the forger to imitate very exactly the notes of any bank, let him engrave a plate *without any resemblance*, in point of style, to any other note in existence, and let him print therefrom notes purporting to be those of some country bank known to exist, and he may pass them, and that extensively too, without much danger. Indeed, so easily are the public imposed on, in consequence of the endless variety of forms in which promises to pay exist, that it has long been a successful species of fraud to issue notes bearing the names of banks that never existed. Nay, any thing will now pass for paper money; witness a case which happened the other day at St Andrews, where a James Anderson was charged before the Sheriff with having uttered *salt permits* for one pound notes. Stronger evidence need

hardly be adduced to shew the necessity of fixing upon some *one form* in which alone paper money should be allowed to exist.

It being established, then, that uniformity is the first essential point to be attained, our next inquiry is, what kind of engraving should be adopted? and to this subject especial attention is requested, because, from much experience, the assertion is adventured, that a plate might be engraved which would defy all attempts at successful imitation.

Let his Majesty's Government cause every note in the united kingdom, of whatever value, and of whatever bank, to be impressed with an engraving, consisting chiefly of human faces, and of the most exquisite workmanship that the united skill of numerous first-rate artists can execute, previous to the stamped paper on which it is to be printed being delivered into the banker's hands, so that every bank note, in one part of it at least, may bear the most exact resemblance to every other. A variety of human faces engraved by several artists of superior skill, would present so different an *expression* from what could be produced by *any other set of engravers whatever*, that the public, *perfectly acquainted with it, as they then must be*, whilst in the act of counting the notes, would as easily distinguish

counterfeits from originals, as they now distinguish one man from another.

It is a truth, which no man well acquainted with the subject will dispute, that forgeries are, almost without exception, found to be different from the notes they are intended to imitate, when they come to be closely examined by an attentive eye—in most instances, very different. Why, then, it may be said, are they not detected? First, for the reason already assigned,—because the kinds of notes in circulation are so numerous, that few men are very intimately acquainted with any of them; and, secondly, because the difference, let it be small or great, which really exists, is not easily perceived. It is obvious that there are some things in which differences are much more observable than in others. Animals, plants, and flowers, for example, are seldom so closely observed, but that others, very different in reality, may be mistaken for them. In engravings of this kind, therefore, a very poor imitation is calculated to deceive us, for the difference, though it be, in fact, great, does not strike us.

There is, however, one thing, and one only, that I know of, in which the smallest difference strikes us instantly,—I mean the human countenance,—the thing of all others in the

world, in which old and young, rich and poor, literate and illiterate, are most in the habit of distinguishing minute differences, and in which the variety of expression is altogether endless. It is here, and here only, that the smallest possible difference *changes the expression*, and tells us at a glance that the thing is not the same.

The protective engraving, therefore, should consist chiefly of a great number of human faces, of extremely varied and peculiar expression, and they should be engraved by several artists. These might be surrounded by any ornamental border, requiring great expertness in its execution.

A specimen note, illustrative of this plan, has been drawn under the writer's inspection. It is about the size of a bank of England note; one half of it is devoted to the government engraving, and the other half is left blank for the banker to print upon. The government half consists of thirty-five heads, with the King in the centre, occupying a circle of about two inches and a half in diameter; these are surrounded by a border, containing a crown, the Banks of England, Ireland, and Scotland, and a few flowers. Immediately above this is the value of the note, and below it is a progressive number, to be presently spoken of. The

general effect, if it were well engraved, would be extremely beautiful; and much better calculated to *attract attention, and to fix itself on the memory*, than any thing which has yet publicly appeared in the shape of a bank note.

The printing of the notes should also be a work of great care, and, as far as practicable, the impressions should be of equal blackness. Bankers might afterwards print on these notes whatever they pleased, provided they neither printed on, nor in any way defaced, the government engraving.

MULTIPLICATION OF THE PLATES. It is stated, that "the plan of Perkins and Heath "is founded on the power of transferring to "steel from copper any engraving, and thus "of multiplying the finest work of art to the "extent of any number of copies." If this be literally true, the united kingdom may be supplied with notes from a single engraving; but if not, the same set of engravers, and they only, could produce more plates; and though, in this case, there might be a perceptible difference in the notes, they would still be seen to be the work of the same hands.

PAPER. The only bank note paper at present in circulation, which is at all fit for the purpose, is that used by the Bank of England. Fine

engraving is by all parties admitted to be quite necessary to the prevention of forgery ; but the *finest parts* of the bank-note engravings in Scotland are impressed on the *surface* of the paper only. So thick is the paper in general use here that it is penetrated only by the coarser parts of the engraving ; and, consequently, before the notes are half worn out, scarcely a vestige of the original engraving remains, and the merest daub of an imitation might be passed for them.

Even the *finest parts* of bank note engravings should penetrate *through* the paper, or as nearly so as possible, that the *expression* may be rendered durable as the note ; and this is almost literally the case with the Bank of England notes, and with them only.

PROGRESSIVE NUMBERS. By the plan here described, it will be obvious that the bankers would be relieved from the necessity of making use of expensive plates, for common letter-press printing would answer their purpose just as well. But there would be one thing to guard against. In case any of the blank notes should fall into improper hands, a facility would be afforded to the forgery of any bank notes in the kingdom. To prevent any evil of this kind, all the notes should be stamped with a progressive number, and sold

only to bankers, who should be made responsible for the right use of them ; that is, in case of their allowing them to be lost or stolen, and they should be converted into forgeries on other banks, their original purchasers should be made responsible for the amount, who would be instantly discovered by referring to the stamp office books—the stamp office making an entry of every lot of notes, when sold, stating the name of the purchaser, and the numbers of the notes.

Lastly, as it is proposed that the *value* of the notes should form a part of the government engraving, the stamps at present used would be superseded, ones, fives, tens, &c. being sold to the bankers at their respective prices.

The great defect in the existing remedies for forgery is, that they trust too much to the powers of the engraver, without sufficiently regarding those of the human mind. The great ease with which we distinguish any thing with which we are well acquainted from other objects of a similar kind, appears to have been greatly overlooked ; were it otherwise, Scotland would never have been inundated with nearly a hundred different kinds of bank notes, many of which necessarily fall but seldom into the hands of any one

individual, and which, therefore, no one man can ever know. But, with a single engraving of the kind that is here described, ever present to our view, the most perfect acquaintance would of necessity be formed. An habitual glance, whilst counting the notes, would render every feature of it at all times present in our remembrance ; and hence that security against deception, which existing plans and precautions can never afford us.

If, in answer to what is here put forth as security against forgery, it be said, that what one man can execute another can copy, I reply, that, in the case I have stated, it would be difficult beyond measure, if not absolutely impossible, to copy so exactly as to deceive. It is proposed that the protective engraving be the work of numerous artists. Government might surely be able to procure the best artists in the kingdom to do the work ; but still it may be said, that other engravers might be found so nearly as good, that a common observer, at least, would not be able to say which was the best workmanship, if a specimen of each man's engraving were presented to him. This may be true ; but although *quality* may probably be equalled, *style cannot be imitated* with sufficient exactness to defeat the object in view. Faces

might be engraved of the same length, and breadth, and fulness ; but there would be a difference still, *an indescribable difference in the expression*, which would point out the cheat in an instant ; and an ordinary man, after a little experience, would be almost as likely to mistake the countenances of his own children, as to mistake a forged note for one that was genuine.

Of the notes at present in circulation here, there are a few good specimens ; but even the best of them appear to be the invention rather of ingenious engravers wishing to display their art, than of practical men of business, whose avocations have compelled them to discover for themselves some means of detecting forgeries. The engine engraving, with which bank notes are now nearly filled, is all but useless. It may be difficult to imitate, but there is nothing in it to be *remembered*, and no bank note engraving is of any use which cannot be *perfectly* remembered. Of the same character is the engraving in the centre of the Bank of Scotland's one pound note, and some others, consisting of an endless repetition of the words "One Pound," in characters so small, that good eyes only can distinguish them even when the notes are new. This minute kind of engraving would be well enough if every shopkeeper kept an

inspector at his counter, with a microscope in his hand, to examine bank notes ; but, in the absence of this custom, it is of little practical value. What we require is something which we can recognize whilst in the act of counting notes with ordinary rapidity, and there is nothing which we can so easily and perfectly remember as the human face.

To form a correct judgment of the means by which any object is proposed to be attained, it is necessary that we clearly understand what that object is. In the present instance, it would be folly to expect that any engraving should be so far inimitable, that nothing having the least resemblance to it could be produced. All that I conceive to be necessary is, that a rule be given to the public, by attention to which, persons of ordinary capacity may, with common care, be *certainly* protected against taking forged notes ; and such a rule, I contend, may be given to the public so soon as such a note as is here described shall be in exclusive circulation throughout the kingdom. This rule, unlike the private marks which at present constitute the secrets of banking houses, and which are altogether concealed from the public, may be safely given to the forger himself, through the medium of the public press.

It being supposed, then, that upon every

bank note in the kingdom, there are thirty-five exquisitely engraved faces, the rule suggested is this: Let every individual who is in the habit of taking bank notes, select for himself *some one* of the thirty-five faces, and let him give it a momentary glance in every note he takes. By these means *his knowledge of that particular face would be quite perfect*, and nothing but a perfect imitation could deceive him.

Now let us suppose the case of the forger: The united skill of the most eminent artists has been employed in engraving thirty-five faces, and every individual is supposed to be perfectly acquainted with some one of them, but of the *one selected* by the person to whom a note is about to be offered, the utterer must necessarily be ignorant. His only chance of success, therefore, would consist in offering a *perfect imitation of every face*; and whoever knows any thing of the difficulties to be surmounted in the execution of such a plate, will declare at once, that he only could attempt it with the smallest possible chance of success, who could make his fortune by engraving in an honest way.

Still it may be said, that there are some men who could never be induced to look at a note at all—what protection does your

plan afford them? The answer is plain—none whatever. Let them take the consequences of their own carelessness.

Upon the whole, it is submitted, that the great and grand security against forgery, must be found in causing all the notes in the kingdom to be, to a certain extent, alike, and until this be done, plans for the prevention of forgery may serve to amuse the ingenious and to furnish employment for engravers, but forgery will never be prevented.

It is obvious that engravers would not find their interest in favouring the plan here promulgated, since the expensive plates at present in use would be altogether superseded. Bank inspectors and bankers' clerks are the persons whose opinions upon this subject are valuable, most of whom know full well how easy it is to become sufficiently acquainted *with any one engraving*, to distinguish it with the utmost facility from any other.

The foregoing article was written with a view to the present system of banking, but the same kind of engraving would answer quite well for the proposed national bank note; except that the whole of each note should be printed at the same time, instead of only the half of it; and excepting, also, that

the stamp duty might be dispensed with. And if, with almost as many kinds of Bank notes in circulation as there are patterns in a print shop, it be possible to go on using paper money at all, whilst the temptation to commit fraud, arising from poverty, is so great as it is at present ; it will surely be allowed, that when the difficulty of imitating notes should be greatly increased, and the temptation to imitate them be greatly diminished, there would be much less objection to the use of paper money than there is now, so far as the fear of forgery is concerned.

The progressive number should be retained as a final security against a forged note ever finding its way undetected into the Bank. The numbers of the notes should be entered in a book when given out of the Bank, and they should be checked off when received back again by the Bank. Thus, if two notes of the same number should be offered to the Bank, one of them must prove to be forged, and the publication of its existence would cause people to look at notes whenever they should receive them. From the opposite course, that is, from not numbering the notes progressively, carelessness might result, for a forged note might be presented at the Bank,

with only the same risk of detection as elsewhere.

I was some time ago informed by a gentleman, connected with a banking establishment here, that Messrs Perkins and Heath had either engraved, or proposed to bankers to engrave, notes containing several faces *exactly alike*. But this plan is far inferior to the foregoing, because the one would depend upon *comparison*, the other upon *knowledge*. Thirty-five faces, all exquisitely engraved, but totally dissimilar, would be infinitely greater security than the same number of faces alike, provided that, in every note in existence, face should correspond with face. The former plan involves a secret, namely *the selected face*, the other has no secret; and it must be infinitely easier to imitate perfectly thirty-five faces alike, than thirty-five faces entirely different, for the same reason that a man can always perform some one operation, to which his attention is entirely devoted, much more easily and perfectly than he can perform several.

CHAPTER VIII.

Professions—Distinction between Professional and Commercial
Members of Society—Modes of remunerating Professional Men—
Demi-professional Trades—Transfers of Private Property—Patents.

PROFESSIONAL men, however nearly allied, and apparently belonging to a Commercial Society, are supported in a very different manner, and, under the Social System, they would be, much more than they are at present, a distinct class of society.

The income of every member of the national commercial association would form a part of the price of exchangeable commodities, as has been fully described in former chapters, but the income of professional men would generally be derived from a totally different source. The annual issues of the Bank would be appropriated entirely to the payment of claims from the various members of the associated community; and professional

men would continue to obtain their incomes, as they do at present, by making direct exchanges of their professional assistance for money, to be paid to them by their customers or clients, excepting, however, when they should be employed by members of the associated community in their official capacity.

For example, a physician, a surgeon, or an artist, when employed by a private member of society, would obtain from his customer, in the shape of money, his right and title to such a portion of the national stock of wealth, as he should agree to give in exchange for the professional benefit conferred upon him, the giving of the money by the one party, and the receiving of it by the other, being the evidence, or proof, that A, an associated member, who had received money for contributing to the national stock of wealth, had *assigned his right* to withdraw his contribution out of the national stores to B, a professional man, as a remuneration for some service, or benefit, real or supposed, conferred by the latter upon the former.

But, in other cases, wherein a professional man should be employed by a member of the association, *in his official capacity*, professional skill or talent, that of an architect, for example,

being required in the production of some tangible and exchangeable commodity, to be brought for sale into the national market, then the professor would receive the reward of his services from the hand of an accredited agent, and the cost of his advice, or assistance, would form a part of the price of the thing produced, as in the case of common labour.

Another mode of remunerating professional men would be, as at present, by fixed salaries, particularly in cases where their whole time and attention would be required. Such persons, for example, as teachers, surgeons to establishments, and some others, should be thus remunerated, and their salaries should form a part of the cost of commodities, falling under some of the items entitled "national charges," in the national balance sheet.

But it is evident, that professional men could never be justly dealt with by consenting, as in the case of mechanics, labourers, and managers of trades, to receive a remuneration to be fixed by any persons but themselves. Every commercial member of the Social Society would be employed upon the principle of prescribed duty and prescribed reward. The hours of attendance would be fixed; the work to be performed, in cases of productive labour, would be of a defined

quality; and these things may be, because they now are, and ever have been, regulated with the utmost facility. We may say to a weaver, the linen must be of a certain degree of fineness—to use a technical phrase, there must be so many shoots to the inch; to a farmer, you must grow wheat, or oats, or barley; and to a builder, the house must be of such dimensions and materials; but no man can prescribe what are to be the qualities of another's mind. We cannot rationally say to a painter, you must be a Lawrence; to an author, you must be a Shakespeare or a Scott; to a musician, you must be a Paganini; or to an equestrian, you must be a Ducrow.

All persons, therefore, who require the aid of a professional man, must continue to assign matter for mind, and to part with a fair portion of their warehoused wealth, for the professional benefit conferred upon them by their own desire.

The business of commerce is to feed, clothe, and lodge mankind, and to provide leisure for the pursuits of pleasure and intellect, and the principles now proposed for adoption have been well considered, with reference to very many trades and business occupations; they have been constantly before my "mind's eye" for the last ten years, and I can truly say,

that, at this hour, I am unable to call to mind so much as one trade to which they are inapplicable, excepting only those which are either wholly, or in part, professional.

No difficulty would arise from the perishableness of any commodity, such as fruit or fish ; slight differences, suitable to the peculiarities of the respective trades and employments, would require to be made, but they would be differences in the detail merely, not in the principle of acting.

There is, however, a kind of demi-professional class of occupations which requires to be noticed. If, for example, a man will have a service performed, or an article made expressly for him, by some particular individual, that individual is in consequence entitled to make his own terms with his customer. Thus, the trades of tailors and shoemakers, as long as men continue to prefer having their coats and shoes made to measure, instead of selecting from a ready made stock such as will please them, appear to come under this denomination ; whilst the making of the material of which the coats and shoes are manufactured does not. Hair-dressing is another trade of the same character ; and there are others in which a preference is sometimes given to particular manufacturers,

for which no other reason can perhaps be assigned, than "it is my humour" to prefer him to any other. Such is the fortunate situation of sundry makers of musical instruments, percussion guns, and a few other articles, real superiority being, indeed, very frequently the basis of their fame.

All persons, therefore, who, either as masters or assistants, should find it their advantage to separate themselves from the Social Society, for the reasons that have been given, would be paid in the same manner as professional men. No money would be *created* to pay them for their labours, because the products thereof would never *go into* the public stock. A, an agent for example, has £100 in money, and he is, therefore, a proprietor of warehoused wealth to that amount. B, a Joe Manton, or an Errard, sells him a gun or a harp for the money. A, therefore, assigns his warehoused wealth to B, by giving him the money that represents it, in exchange for his gun or harp.

Transfers of private property would take place in the same way. C, an invalid, wishes to reside in Italy. He sells off his household furniture, and other valuables, by public auction, as at present. No additional wealth is, in this case, created, and no additional

money is therefore made. The buyers of C's property pay him in checks upon the public stock ; he draws, we shall suppose, gold, and yields up the said checks to the national warehouseman, and they henceforth cease to be money.

Thus, try the proposed new principle of exchange in whatever way you will, it answers with mathematical precision to the character that has been given it ; " Production the cause " of demand." Transferring property does not increase property. The annual issues of the Bank, therefore, would not represent all the *business transactions* of the country, but only its *productions and importations*.

Tailors, shoemakers, and hairdressers, however, as well as all other professional and demi-professional men, would be gainers by this system, in precisely the same ratio as the other members of society ; because the moment their respective trades or occupations should fail to meet with a remuneration equal to the average price of common labour, they would claim their birthright, *employment* under the auspices of the national capital.

Under the head professions, there falls to be noticed a subject which, at present, is a source of infinite annoyance and ill feeling,—the law of patents. That an individual who,

by devoting years of mental labour to a pursuit, or by the merest chance, discovers something, by means of which society may be benefited, is entitled to a suitable reward, is what few persons, perhaps, will deny. The present law of patents, however, is neither well calculated to insure merit its reward, nor to do justice to inventors ; for, it often happens, that, after a really meritorious and ingenious man has spent many years of his life, and consumed his means, in the attainment of an object, for which he takes out a patent, the patent itself expires before he has gained a sixpence by his ingenuity. Then, perhaps, some one else, by improving upon the invention, not merely reaps the reward which, in strict justice, would more properly have been received by the original inventor, but, what is still worse, absolutely prevents the inventor himself from improving his own work, by taking out a new patent over his head for some one part, which, however insignificant the merit of its invention may be, as compared with the original, may, nevertheless, be so essential to excellence, that to make a machine without it capable of competing with one which has it, may be quite impossible.

In the margin of my manuscript, I find

written by a friend, "This is a small matter, " in considering so extensive a system. In " place of patents in the Social Society, would " it not be better to give the public the " benefit of any improvement, and to reward " the improver by money?" The difficulty is to give the *real value* of the invention. Ninety-nine hundredths of inventions are failures; but every now and then there is a hit, and the difficulty is to distinguish the prize from the blanks. The experience of the inventors does this at present. There are, no doubt, very serious obstacles in the way of granting patents in such a manner as to do justice to all parties, and it is for those who have fully considered the subject to determine the best means of reconciling contending interests; the object of mentioning the subject here being merely to shew in what manner the law of patents, as it at present stands, is reconcileable with the principles of the Social System.

The making of every kind of machinery which is established as useful, and which is not patent, may be carried on, under the Social System, upon precisely the same plan as every other kind of productive industry; and patentees may either employ the associated engineers, being themselves, most

likely, of the number, to make their machines in the usual way, merely engaging to take them out of the public stock as fast as they are made to order, at the usual price of material, wages, and per centage, and then sell them at whatever price they can get; or else they may set up manufactories of their own, upon the demi-professional plan already described. But, excepting in cases where profound secrecy should be required, the latter plan could almost never be followed with advantage; because, from the immensely extensive scale on which the associated manufactories would be conducted, labour would be so very extensively divided and combined in them, that it would require a factory, consisting rather of a town than of a comparatively few persons, to compete with them. It is, therefore, probable, that no additional advantage could ever be gained by manufacturing any article out of the usual routine of the commercial association.

CHAPTER IX.

Review of Society — Probable consequences of the Social System —

Map of Society — General review of the employments of mankind, and of the manner in which the wealth of the country is now distributed.

It is here desirable to keep in mind the distinction between cause and effect. No objection is, in this book, offered to the commercial institutions of society, merely because they are institutions ; but they are objected to solely on the ground of their total unfitness for the purpose for which they are intended ; the evidence of which is, that, although it is their express object to do so, they do not supply mankind in general with the necessaries and comforts of life, leaving them, at the same time, leisure for the employment and gratification of their physical, moral, and intellectual powers. The public adoption, however, of the principle of exchange that is advocated throughout this

volume, like the introduction of a new process in manufactures, would supersede much that at present exists, and give a new aspect to the appearance of things altogether. The alterations in society, therefore, to be presently mentioned, are not essential to, but they would not improbably be the consequence of, adopting an improved method of buying and selling.

This distinction should be constantly kept in mind, because if it were necessary to persuade some men to give up certain trades and occupations, that others might be established in their stead, all improvement would soon be at a stand still. In practice, however, this is not the case, for, whenever a new principle is introduced, by which certain occupations are rendered nugatory, as, for instance, in the case of tax gathering, when a tax is taken off, they must be given up, whether their followers like it or no: the demand for them ceases, and they then die the natural death of inutility.

In the statistical work of Mr Colquhoun, on the Wealth and Resources of the British Empire, there is an attempt to shew in what proportions the produce of the country is distributed amongst the various classes of society: the table here alluded to is dated so

far back as 1812, but as the principles of society are essentially the same now as they were then, the general plan of distribution cannot be very different. From one of Mr Colquhoun's tables, therefore, I have constructed another, with the view of bringing under notice, with reference to the principle of domestic free trade, the various existing classes of society. The table, of which the following is in part a copy, is most appropriately designated by Mr Colquhoun, "A
" Map of Civil Society : " —

INDEX TO THE TABLE.

For want of sufficient room in the page, numbers have been substituted in the following table for the names of the respective classes: the names, therefore, are here previously given, and the table will in consequence require to be examined with constant reference to this index:—

ROYALTY.		NAVY.	
The King, Queen, and Princesses of their family	No. 1	Naval Officers, Marine Officers, Surgeons, Purser, &c.	No. 13
The Prince Regent, the Princess of Wales, and Princess Charlotte	2	Seamen in the Navy and Revenue Service, and Marines	14
The remaining Princes and Princesses of the blood	3	HALF-PAY, &c.	
NOBILITY.		Military, Naval, and Medical Half-pay Officers, including superannuated Officers, retired Chaplains, and Widows and Children of Officers receiving Pensions	15
Temporal Peers, including Peeresses in their own right	4	PENSIONERS.	
Spiritual Lords or Bishops	5	Pensioners of Chelsea Hospital, in and out Pensioners of Greenwich Hospital, Chatham, &c. &c.	16
GENTRY.		The above Pensioners receiving besides from Labour	17
Baronets	6	CLERGY.	
Knights and Esquires	7	Eminent Clergymen	18
Gentlemen and Ladies living on incomes	8	Lesser Clergymen	19
STATE AND REVENUE.		LAW.	
Persons in higher Civil Offices	9	Judges, Barristers, Attorneys, Clerks, &c.	20
Persons in lesser Civil Offices	10	PHYSIC.	
ARMY.		Physicians, Surgeons, Apothecaries, &c.	21
Military Officers, including Surgeons and Quarter Masters, Pay Masters, Engineer and Artillery Officers, Recruiting Staff Officers, &c.	11	FINE ARTS.	
Common Soldiers in the Regulars and Militia, including Non-commissioned Officers and Artillery and Engineers	12	Artists, Sculptors, Engravers, &c.	22

AGRICULTURE, MINES, &c.		UNIVERSITIES AND SCHOOLS FOR THE EDUCATION OF YOUTH.	
Freeholders of the better sort	No. 23	Persons educating Youth in Universities and Chief Schools	42
Lesser Freeholders	24	Persons engaged in the education of Youth of both Sexes, and generally employing Capital in this pursuit	43
Farmers	25	MISCELLANEOUS.	
Labouring People, employed in Agriculture, Mines, and Minerals, including earnings of the Females	26	Clergymen regularly ordained, dissenting from the Established Church, including Itinerant Preachers	44
FOREIGN COMMERCE, SHIPPING, MANUFACTURES, AND TRADE.		Persons employed in Theatrical Pursuits, and attached to Theatres and Concerts, as Musicians, &c.	45
Eminent Merchants, Bankers, &c.	27	Persons keeping Houses for Lunatics	46
Lesser Merchants, trading by Sea, including Brokers	28	Lunatics and others under mental derangement	47
Persons employing professional Skill and Capital, as Engineers, Surveyors, Master Builders of Houses, &c.	29	Persons confined in Prisons for Debt	48
Persons employing Capital in building and repairing Ships, Craft, &c.	30	Vagrants, Gipsies, Rogues, Vagabonds, Thieves, Swindlers, Coiners of Base Money, in and out of Prisons, and Common Prostitutes, including Wives and Children	49
Ship Owners, letting Ships for freight only	31	Persons included in the various Families above-mentioned, who have Incomes from the Funds and other sources, including also Trustees for Orphans, Minors, and Charitable Foundations and Institutions (about)	50
Aquatic Labourers in the Merchants' Service, Fisheries, Rivers, Canals, &c.	32	PAUPERS.	
Manufacturers employing Capital in all Branches, as Cotton, Wool, Flax, Hemp, Leather, Glass, Pottery, Gold, Silver, Tin, Copper, Iron, Steel, and other Metals, Silk, Paper, Books, Gunpowder, Painters' Colours, dyed Stuffs, &c.	33	Paupers producing from their own Labour in Miscellaneous Employments	51
Beer, Porter, distilled Liquors, Sweets, Candles, Soap, Tobacco, Snuff, &c.	34	And receiving from Parochial Rates (about)	
Principal Warehousemen, selling by wholesale	35		
Shopkeepers and Tradesmen, retailing Goods	36		
Persons employing Capital, as Tailors, Mantua Makers, Milliners, &c. in the manufacture of stuffs into wearing apparel	37		
Clerks and Shopmen to Merchants, Manufacturers, Shopkeepers, &c.	38		
Innkeepers and Publicans, licensed to sell Ale, Beer, &c.			

A MAP OF CIVIL SOCIETY;

EXHIBITING THE NUMBERS, INCOME, AND OCCUPATIONS OF THE WHOLE POPULATION OF GREAT BRITAIN AND IRELAND, IN THE YEAR 1812; DISTINGUISHING ALSO THE NUMBERS AND INCOME OF THE PRODUCTIVE CLASSES, FROM THE NUMBERS AND INCOME OF THOSE THAT ARE UNPRODUCTIVE.

Number for reference to Index.	Estimated Population.	Aggregate Income of each Class of the Community in Great Britain and Ireland.	Annual Income of each Man, Woman, and Child, in each Class, including Servants.	Numbers and Income of the Productive Classes.		Numbers and Income of the Unproductive Classes.	
1	50	£146,000	£2,920			50	£146,000
2	50	172,000	3,440			50	172,000
3	200	183,000	915			200	183,000
4	12,900	5,160,000	400			12,900	5,160,000
5	720	240,480	334			720	240,480
6	12,915	3,022,110	234			12,915	3,022,110
7	110,000	22,000,000	200			110,000	22,000,000
8	280,000	28,000,000	100			280,000	28,000,000
9	24,500	3,430,000	140			24,500	3,430,000
10	90,000	5,400,000	60			90,000	5,400,000

Number for reference to Index.	Estimated Population.	Aggregate Income of each Class of the Community in Great Britain and Ireland.	Annual Income of each Man, Woman, and Child, in each Class, including Servants.	Numbers and Income of the Productive Classes.		Numbers and Income of the Unproductive Classes.	
11	40,000	£4,200,000	£40			40,000	£4,200,000
12	450,000	9,800,000	9			450,000	9,800,000
13	25,000	2,095,000	50			25,000	2,095,000
14	320,000	7,204,680	10			320,000	7,204,680
15	14,500	856,600	20			14,500	856,600
16	92,000	630,000	4			92,000	630,000
17		420,000	2	46,000	£420,000	46,000	630,000
18	9,000	1,080,000	120			9,000	1,080,000
19	87,500	3,500,000	40			87,500	3,500,000
20	95,000	7,600,000	80			95,000	7,600,000
21	90,000	5,400,000	60			90,000	5,400,000
22	25,000	1,400,000	56	25,000	1,400,000		
23	385,000	19,250,000	50			385,000	19,250,000
24	1,050,000	21,000,000	20			1,050,000	21,000,000
25	1,540,000	33,600,000	22			1,540,000	33,600,000
26	3,154,142	33,396,795	11	3,154,142	33,396,795		

Number for reference to Index.	Estimated Population.	Aggregate Income of each Class of the Community in Great Britain and Ireland.	Annual Income of each Man, Woman, and Child, in each Class, including Servants.	Numbers and Income of the Productive Classes.		Numbers and Income of the Unproductive Classes.	
27	35,000	£9,100,000	£260	400,000	£8,100,000	35,000	£9,100,000
28	159,600	18,354,000	112			159,600	18,354,000
29	43,500	2,610,000	60			43,500	2,610,000
30	3,000	402,000	134			3,000	402,000
31	43,750	5,250,000	120			43,750	5,250,000
32	400,000	8,100,000	11				
33	264,000	35,376,000	134			264,000	35,376,000
34	5,400	723,600	134			5,400	723,600
35	700,000	28,000,000	40			700,000	28,000,000
36	218,750	7,875,000	36			218,750	7,875,000
37	262,500	6,750,000	14	150,000	3,500,000	262,500	6,750,000
38	437,500	8,750,000	14			437,500	8,750,000
39	150,000	3,500,000	12				
40	4,343,389	49,054,752	11			4,343,389	49,054,752
41	5,600	63,000	11			5,600	63,000
42	3,496	524,400	150			3,496	524,400

Number for reference to Index.	Estimated Population.	Aggregate Income of each Class of the Community in Great Britain and Ireland.	Annual Income of each Man, Woman, and Child, in each Class, including Servants.	Numbers and Income of the Productive Classes.		Numbers and Income of the Unproductive Classes.			
43	210,000	£7,140,000	£34	774,200	£3,871,000	210,000	£7,140,000		
44	20,000	500,000	25			20,000	500,000		
45	3,500	175,000	50			3,500	175,000		
46	700	35,000	50			700	35,000		
47	4,000	160,000	40			4,000	160,000		
48	17,500	105,000	6			17,500	105,000		
49	308,741	3,704,892	12			308,741	3,704,892		
50		5,211,063					5,211,063		
51	1,548,400	3,871,000	6			774,200	£3,871,000	774,200	6,000,000
		6,000,000							
	17,096,803	£430,521,372		8,892,731	£99,742,547	8,204,072	£330,778,825		
	Souls in Great Britain and Ireland, including the Army and Navy, in 1812.	Total Income of the Population of Great Britain and Ireland in 1812.		Total Number of the Productive Classes in 1812.	Total Income of the Productive Classes in 1812.	Total Number of the Unproductive Classes in 1812.	Total Income of the Unproductive Classes in 1812.		

If we look at the foregoing table, giving it the credit of bearing some resemblance to a true representation of the manner in which the wealth of the country is now disposed of, the cause of existing trouble and distress can be no great mystery. Reduce the millions to units: here is a family of seventeen persons, having an income amongst them of £430; nine of the family are productively employed, and eight are employed unproductively, or not employed at all; and, moreover, the annual allowance to the eight who are comparatively idle is £330, whilst those by whose labour the whole family is supported receive but £100.

The real evil of the commercial society is its absurd system of exchange, which first keeps down the produce of the country to but a fraction of the quantity of what, unshackled, it would become; and then it absolutely draws no less a sum than fifty-six millions annually into its own insatiable vortex. See numbers 27, 28, 34, and 35, in the foregoing table. Let us seriously ask ourselves, what it is that constitutes wealth, who it is that produces it, and by whom it is consumed? and these questions being answered, let us ask again, whether it be not possible for us to produce a little more, and

for some parties, who are at present not idle, but useless, to give a helping hand towards the production of that which they consume ?

The chief object of the foregoing table, is to shew in what manner the produce of the country is now distributed. There is a much greater difference in the incomes of the different classes than is there seen at first sight, owing to the difference in the number of persons in the families of each class. For example, it appears that the income of each individual in the productive classes, was £11, in the year 1812, and the income of each individual in the royal family, only £2920. In the former instance, however, the average number of persons in each family may be about four and a quarter ; in the latter, about fifty, the domestics being included : consequently, in the former instance, an income of about £47 may be at the disposal of the head of a family ; and, in the latter instance, an income of £146,000 : in this case, the one income is about three hundred times as large as the other. But there is much less difference, in this respect, when we leave the higher classes : the averaged number of persons in each family is estimated among the nobility at twenty-five ; among the bishops and baronets at about fifteen ; among the

knights and squires at about ten ; and after this, it appears to vary from four to six.

It will be observed, that, in the foregoing table, those persons only are denominated productive members of society, who contribute, with their own hands, to the increase of tangible and exchangeable wealth : and this is the true way of treating the subject. The labour of mind, that is, the labour of contrivance, of direction, and of superintendence, as well as that of distribution, are as necessary to the well being of society as the labour of the body ; but there is this difference between them, namely, that kind of labour, of which tangible wealth is the immediate result, can never be superabundant, so long as we have the material for it to work upon, and the capital wherewith it requires to be assisted ; whereas, of mental labour, we require only a *sufficient quantity* to govern, direct, and superintend the labour of the hands, and all above this quantity has merely the effect of creating a struggle for the work to be done, without adding one atom to the quantity performed. It is not by increasing the number of architects, for example, that houses are made to spring up, or by increasing the number of shopkeepers that goods are manufactured : it is by calling into operation, in both cases,

the men who work up, with their own hands, the respective materials into the desired form, that additional wealth is produced.

It is, therefore, the interest of every commercial society to keep down to the lowest *sufficient* number, every class of non-producers, and to increase to the utmost all producers, for whom useful employment can be devised. The salary of a prime minister, and the income of a pedlar, are alike a tax upon the productive classes, and the only effect of making a distinction between them, in considering the aggregate interest of a nation, is to destroy the judgment, and to throw the inquirer into the causes of human trouble upon a wrong scent.

Employ mankind : and, that men may ever be able to employ each other, let them establish freedom of exchange ; let them habitually devote a portion of their labour to the increase of capital ; and let them give to those that are employed the whole produce of their industry, deducting only that portion of it which it must ever be necessary to take from them, for the purpose of remunerating such a number of unproductive members of society, as may be more advantageously employed with their heads than with their hands. This, and this only, is the

reform that can confer substantial benefit upon society ; this, and this only, is the rock on which human institutions can ever be erected with any chance of being able to brave the tempest and withstand the storm ; and upon this basis, sooner or later, they must inevitably rest, unless the innate desire to improve his condition can be eradicated from the heart of man. Other reforms may do good ; parliamentary reform will do much good ; it will do some justice, and, moreover, it will prepare the way for other and *greater* reformatations. The education of the lower classes is doing much good ; it is preparing their minds to understand their real situation, their real importance, their irresistible power. But these are but the steps to improvement ; they are but processes in the manufacture of the material of that garment in which society will yet be splendidly arrayed ; the whole process, however, is already far advanced, and almost as suddenly as the cloth is changed into the robe, may the existing materials of trade, commerce, and manufactures, be, at any time, converted into the means of national prosperity and happiness.

I shall now briefly notice the various classes of society, as distinguished in the foregoing

table, with reference to the principle of domestic free trade.

Numbers 1, 2, and 3. — The King, and others of the Royal Family, would be so far benefited by the establishment of the Social System, that they would have the satisfaction of seeing their subjects and fellow creatures amply provided for.

Numbers 4, 6, 7, and 8, — Nobility, Gentry, Knights, Esquires, Ladies, and Gentlemen. The incomes of this class are derived, for the most part, from the rent of land, and interest of money; and liberally may they continue to be remunerated for the use of both under the Social System. The day may come, however, and I believe that it will come, when the business of every nation will be conducted upon the basis of a national capital, in which case but little rent or interest would be attainable.

Numbers 9, and 10, — State and Revenue, persons in civil offices, various. The business of a great number of the civil offices would be altogether superseded by the establishment of domestic free trade, — that of tax-gatherers and custom-house officers, for example.

Numbers 11, and 12, — Army. It is presumed that no man who looks at the present state of Europe, and who values the safety

of this country, can be anxious to see the British army reduced at the present period. Improve the condition of mankind universally by the establishment of free trade, in the most comprehensive sense of the term, and fighting will die a natural death in its own good time.

Numbers 13, 14, 15, 16, and 17,—Navy, Half-pay, Pensioners, &c. The foregoing observation applies also to these.

Numbers 5, 18, and 19,—Bishops and other Clergymen. When a free system of exchange shall have provided for the body, the clergy will get on much better than they do at present in providing for the soul: the property of the church need not be interfered with in the smallest degree by the establishment of the Social System. The condition, however, of its poorer members would be greatly improved by the change; there would be no more £40 a-year curacies, for no man would be induced to enter the church, professionally, for a less remuneration than the average price of common labour, which could not, I conceive, be of *less* value than is now obtainable for £200 a-year. In mentioning this sum as a minimum, I have neither indulged in vague and unsupported conjecture on the one hand, nor am I supported by

any very accurate knowledge on the other. There are, unfortunately, no documents existing from which any definite opinion can be formed upon this subject; but if the fact be disputed, I think I am prepared to bring forward good evidence that the present value of £200 a-year, in the necessities, conveniences, and comforts of life, would be the lowest remuneration that the average of the labouring classes would receive under this system. To enter upon the subject fully would require a lengthy digression, and I decline doing so because it is not essential to the main subject, the wages of labour having been all along defined to be *the result of labour*, subject to the smallest sufficient deduction for the support of the unproductive classes. It is evident that the wages of labour never can be more than is here defined, and it is as certain that they never *ought to be* less.

Number 20. — Judges, Barristers, Attorneys, Clerks, &c. Income £7,600,000. Under the proposed system of domestic free trade, there would neither be debtor nor creditor, and no man could become a rogue from necessity: how much the practice of the lawyers would be increased or diminished by these changes, every one may conjecture for himself.

Number 21,—Physicians, Surgeons, Apothecaries, &c. Prosperity and ease,—upon the invariable condition, however, of moderate exertion,—would not perhaps be very much calculated to increase this class of the community.

Number 22,—Artists. The increase of demand for works of art, under the Social System, would be altogether incalculable: the demand for the pleasures and recreations of life would invariably increase as fast as the more urgent wants of mankind should come to be supplied.

Numbers 23, 24, and 25,—Freeholders and Farmers. Under the free system of exchange, persons of this description would fall into the rank of accredited agents, and their situation in life would be greatly improved by the change.

Number 26,—Labourers in Agriculture, Mines, &c. will be noticed last.

Numbers 27, and 28,—Eminent Merchants, Bankers, Brokers, &c. The members of the Chamber of Commerce should, for the most part, be elected from amongst this class of the community.

Numbers 29, 30, and 31,—Persons employing professional skill and capital, as Engineers, Surveyors, Master builders of Houses, Ships,

&c. Fit persons these for accredited agents, but far too numerous, as also are the last mentioned.

Number 32,—Aquatic labourers in the Merchants' service, Fisheries, Rivers, Canals, &c. The employment of these persons would remain the same, but, under the Social System, they would be much better remunerated than they are at present.

Numbers 33, to 39, inclusive,—Manufacturers, Warehousemen, Shopkeepers, Clerks, Shopmen, &c. A much smaller number of these persons would be very desirable: some would become agents, whilst others would be elevated to the rank of producers under the Social System.

Number 40,—Artisans, Handicrafts, Mechanics, and Labourers, to be noticed last, with number 26.

Number 41,—Hawkers, and Pedlars. These men are productive only of mischief, and are of no use on earth.

Numbers 42, to 45, inclusive,—Persons employed in Universities and Schools, Dissenting Clergymen, and Players. These occupations are all professional: see the Chapter on Professions.

Numbers 46, and 47,—Relating to Lunatics. The Social System proposes to provide for

lunatics, at the expense of the nation : see the fourth item of national charges, page 115.

Number 48,—Persons confined in prisons for debt. This is a curious specimen of the present system, which first puts it into the power of 17,500 individuals to get into debt, and then puts them into prison to prevent the possibility of their getting out of debt. Although the Social System acknowledges no such character as either debtor or creditor, every advantage, capable of being derived from the most comprehensive system of credit ever devised, would be secured by it.

Number 49,—Vagrants, Gipsies, Rogues, Vagabonds, Thieves, Swindlers, Coiners of Base Money, and common Prostitutes, number 308,741. Education and profitable employment are the only effectual remedies that can ever be applied to these national maladies.

Number 50. A nondescript class this : see the index to the foregoing table, page 161.

Number 51. Paupers,—The existence of unmerited pauperism, in a country which is constantly complaining of over-production, is a libel upon common sense.

Numbers 26 and 40,—Labouring People. The condition of the productive classes would be so greatly improved by the establishment of a free system of exchange, that a true

picture of the alteration would only be looked upon as "fancy's sketch," by any person but superficially acquainted with our present enormous facility of production. Our text is commercial freedom : establish this, and demand will ever keep pace with production. Measure our resources they who can—it is not possible, indeed, to measure them with any accuracy ; but, freedom of exchange being established, it may be safely asserted, that to supply mankind abundantly with the necessities and comforts of life, would be a task as easy as to pump water from a never-failing spring : yet could there never be any thing so absurd as over production, and neither could a market be sought in vain, for the space of a single hour, for any article that should ever be produced in accordance with the principles of the Social System.

CHAPTER X.

Population—Theory of Mr Malthus—It is opposed to the plainest dictates of Nature—It is contradicted by the evidence to which Mr Malthus appeals for its support—The assumed facts on which it is founded, are unreal—Even if it were true, it would be an additional argument for the establishment of the Social System—Theory of Mr Sadler—Some of his tables quoted—Effect of inequality in the ages of parents on the sexes of their children—Animals are subject to the same law—Emigration.

AND how, says the disciple of Mr Malthus, will your general principle, as laid down in a former chapter, that a law of nature never can be wrong, be reconciled with the best established theory of population? And here I must premise, that I throw this difficulty in my own way, merely for the sake of removing it. The purpose with which I set out, has nothing to do with any theories of population: it has to do with what will cause men of all denominations to be better supplied than they now are with the *means* of enjoying life; and if it is to be held as a valid

argument against all improvement in this particular, that it will increase population too rapidly, why then let legislators take a holiday just now, for all things must be prospering to their heart's content.

There are few theories, perhaps, that have been more abused, or more misrepresented, than that of Mr Malthus: his proposal to abolish the poor laws, is, in itself, a sufficient text upon which to write a whole volume of abuse; and the most unjust prejudices have been excited against his theory, by the quotation of selected passages from the *Essay on Population*. The only edition of that work which I have ever read, is the sixth, and the sum and substance of what Mr Malthus says upon the subject of the poor laws in that edition, is,—let us cease to attempt to do that which we cannot do effectually, because the attempt itself produces ten times more misery than it removes; and however much the philanthropist may differ from Mr Malthus, as to what are the best means of removing pauperism, the object of both is precisely the same.

I am not, however, a disciple of Mr Malthus; I disagree with him entirely, and shall proceed to state, as concisely as possible, my reasons for entertaining an opinion

widely different from his upon the subject of population. The doctrine he teaches is, that population has a tendency to increase, as

1, 2, 4, 8, 16, 32, 64, 128, 256.

and subsistence, as

1, 2, 3, 4, 5, 6, 7, 8, 9.

Supposing, therefore, that we are now at one, both as respects population and subsistence, and that, as supposed by Mr Malthus, twenty-five years are to elapse between the respective changes in population and subsistence, then, in two centuries, mankind would require to divide the food of nine persons amongst two hundred and fifty-six; provided that population should proceed always in the interim as rapidly as the absence of all checks would allow it. I believe this doctrine to be founded in error, for three distinct reasons, which shall now be stated.

First, It is opposed to the plainest dictates of nature.

In one sense, whatever is, is natural. Virtue and vice, knowledge and ignorance, good and evil, are all and equally the result of nature; and whatever may be the condition of mankind, that condition is as clearly the natural fruit of the inherent qualities of human beings, and of the external cir-

cumstances by which they are surrounded, as is the apple, the peach, or the plum, the natural fruit of its respective tree.

But there is this difference between the two cases: nature appears to say to man, So much will I do for you, and so much will I do through you. The form, the sex, and the structure of the body, for example, are rendered what they are by nature: the bones, the flesh, the joints, the veins, the muscles, and the nerves, are all formed for us by a superior power, and we cannot alter any of them. Again, our natural exigencies are equally above our control; we cannot come into the world without them, or alter them after we are in it. But, on the other hand, our wants are *supplied* almost entirely by our own instrumentality, and so imperative is nature in this particular, that she positively refuses to continue our existence upon any other condition than that of habitual industry.

In the case before us, then, nature acts alone in conferring the desires which lead to the increase of the species, and through the instrumentality of man himself in supplying him with the means of supporting a family. The difficulty of supporting a family, then, being admitted, the question that remains is, whether it be nature or humanity that is at

fault? I say it is humanity—that nature does nothing in vain; and that, if she had not intended the universality of marriage, she *could not*, without a direct violation of her own laws, have given universally the sexual desires.

But, let us inquire a little into the proceedings of nature in other matters wherein she acts for man, but independently of his assistance. Look at the structure of the human body: Is it incomplete, unfinished, and imperfect? or are not rather the various parts so admirably constructed and adapted to each other, as to form a whole incomprehensibly complicated and beautiful? Nature gives us light and air; she causes the sun to invigorate the earth, and the seed that is scattered upon its surface to spring up in renewed and multiplied quantities: and in all cases wherein she operates for man, but without the aid of man, she has been liberal to profusion. If, then, whenever she acts alone, she does more than is sufficient, it is at least very improbable that she should fail to do *her* part, in those cases wherein a *part* is all she undertakes to perform.

Instead, then, of accusing Nature, let us rather take the acknowledged difficulty of supporting a family as presumptive evidence

that something is wanting on our own part : let us bear in mind, that, although the sun will ripen our crops, it will neither till the land appropriated to their growth, nor sow the seed from whence they are made to spring: and, in the case before us, let us in like manner rather suspect the wisdom of man than arraign the munificence of God ; for it is at least a fair presumption, that the cause of the evil is as likely to be found in our own neglect of using the *means* that are naturally within our reach, as in the decree of Heaven.

Mr Malthus, indeed, strives to make it appear, that the doctrine he advocates is not unnatural, and at page 259, vol. ii,—I quote in every instance from the sixth edition,—he says, “ This law,” that is, the law of population, “ she [Nature] has declared in the same “ manner as she declares that intemperance “ in eating and drinking will be followed “ by ill health ; and that, however grateful “ it may be to us at the moment to indulge “ this propensity to excess, such indulgence “ will ultimately produce unhappiness. It “ is as much a law of nature that repletion is “ bad for the human frame, as that eating and “ drinking, unattended with this consequence, “ are good for it. An implicit obedience

“ to the impulses of our natural passions
“ would lead us into the wildest and most
“ fatal extravagances ; and yet we have
“ the strongest reasons for believing that
“ all these passions are so necessary to our
“ being, that they could not be generally
“ weakened, or diminished, without injuring
“ our happiness.”

Plausible enough all this at first sight ; but, alas ! how futile is the attempt to establish an analogy between eating and drinking to excess, and the moderate indulgence, by every man, of those passions which lead to the increase of the species ! Does temperance consist in one half of mankind abstaining altogether from the use of food ? or is it true, that an implicit obedience to the impulses of our natural appetite for food would lead us to the immoderate, and, consequently, injurious, use of it ? So far from there being any analogy between the two cases, nature requires that every man do eat ; and, so far from “ implicit obedience ” constituting excess, it may be safely asserted, that the exact quantity of food that we can habitually take with most pleasure to ourselves, is *the precise quantity* which is best for us.

If, then, *temperance* is the word, in what manner is it to be practised ? In total

abstinence? This is not temperance, but starvation! In moderate indulgence? This very moderation, Mr Malthus has not to be told, is the best method by which to insure a numerous and healthy offspring. No! Mr Malthus must scratch the word *nature* out of his vocabulary, for it is in vain that he attempts to reconcile with nature's dictates that theory which withholds from any son or daughter of Adam the sacred pleasures of marriage; and it most unfortunately happens for the argument just quoted, that the punishment which nature inflicts upon those who, by intemperance, repletion, excess, disobey her dictates in the matter before us, is not an extra dozen or so of vigorous and healthy children, but a puny and unhealthy offspring, or else no offspring at all.

The dilemma in which Mr Malthus finds himself whenever he attempts to reconcile his theory with the dictates of nature, is most remarkable. No man, indeed, appears to be more alive than himself to the desirableness of the married state. "Of the happiness," he says, at page 261, "spread over human life by this passion, very few are unconscious. "Virtuous love, exalted by friendship, seems "to be that sort of mixture of sensual and "intellectual enjoyment particularly suited

“to the nature of man, and most powerfully
“calculated to awaken the sympathies of the
“soul, and produce the most exquisite gratifi-
“cations. Perhaps there is scarcely a man who
“has once experienced the genuine delight
“of virtuous love, however great his intel-
“lectual pleasures may have been, who does
“not look back to that period as the sunny
“spot of his whole life, where his imagina-
“tion loves most to bask—which he recollects
“and contemplates with the fondest regret—
“and which he would wish to live over
“again.” And, again, at page 262, “The
“evening meal, the warm house, and the
“comfortable fireside, would lose half their
“interest, if we were to exclude the idea
“of some object of affection, with whom
“they were to be shared. We have also
“great reason to believe, that the passion
“between the sexes has the most powerful
“tendency to soften and meliorate the human
“character, and keep it more alive to all
“the kindlier emotions of benevolence and
“pity.”

All attempts, however, to reconcile the sentiments here so beautifully expressed with the iron theory of population, as propounded by Mr Malthus, must, it is evident, be forever futile, and in his own book they are

most conspicuously so. At page 266 he says, "We cannot but conceive that it is an object of the Creator that the earth should be replenished, and it appears to me clear, *that this could not be effected without a tendency in population to increase faster than food*; and as with the present law of increase the peopling of the earth does not proceed very rapidly, we have undoubtedly some reason to believe that this law is not too powerful for its apparent object." And again, at page 267, "If these two tendencies [that is, the tendencies in food and population to increase] were exactly balanced, I do not see what motive there would be sufficiently strong to overcome the acknowledged indolence of man, and make him proceed in the cultivation of the soil. The population of any large territory, however fertile, would be as likely to stop at five hundred or five thousand as at five millions or fifty millions."

How fallacious is this reasoning! If the tendency of population be to increase rapidly, and the tendency of food to increase *as* rapidly, by what miracle is the population of a fertile territory to stop at five hundred? This is just a question of figures. If 1 *a* have a tendency to become 2 *a* within a given

time, provided, and *only* provided, that $1b$ has a tendency to become $2b$ within the same time, how, in the name of common sense, is the progress of $1a$ to be *accelerated* by the tardiness of $1b$? or if both a and b have a tendency to increase in the same ratio, and that at a very rapid rate, by what miracle are neither of them to increase at all? Mr Malthus says in effect this,—Couple the greyhound to the sloth, and they will get on much faster than a couple of greyhounds of equal fleetness, placed side by side, and started after the same hare.

At page 275, another attempt is made to, reconcile the theory with nature, or rather, perhaps, I should say, to reconcile nature with the theory. “A young woman without fortune, when she has passed her twenty-fifth year, begins to fear, and with reason, that she may lead a life of celibacy, and, with a heart capable of forming a strong attachment, feels, as each year creeps on, her hopes of finding an object on which to rest her affections gradually diminishing, and the uneasiness of her situation aggravated by the silly and unjust prejudices of the world. If the general age of marriage among women were later, the period of youth and hope would be prolonged, and fewer would be

"ultimately disappointed. That a change
"of this kind would be a most decided
"advantage to the more virtuous half of
"society, we cannot for a moment doubt."

Silly and unjust prejudices! Take it in a
variety of ways. At what period has a
woman the most attractions for a man?

Answer, Before five-and-twenty. Are early
or late marriages generally productive of most
happiness? *Answer*, Early. Does the expe-
rience of the world prove that long court-
ships, say seven years or so, are desirable?

Answer, No. Are late, or moderately early,
marriages — say before twenty-five — most
conducive to the permanent health of the
female? *Answer*, Early. Will early or late
marriages produce the most orphans? *An-
swer*, Late. Upon these grounds, then, it is
not doubted, but denied, that "a change
"of this kind would be a most decided
"advantage;" it would be exactly the
reverse.

There is an old maxim which says, Eat
when you are hungry, and drink when you
thirst; and I much question whether we can
find a better criterion of the proper age of
marriage than by referring to those examples
where pecuniary considerations may be sup-
posed to have the least influence. Marriages,

then, in these cases, according to the registers of the peerage, are most frequent at from eighteen to twenty-one on the part of the females, and from twenty-two to twenty-five on the part of the men: that is, in this country. But in warmer climates, where "the charms and beauties of the female sex" are developed long before they put forth "their blossoms in northern regions," the women "become mothers at an age which, in England, is considered little more than that of childhood." Look at the case, therefore, in whatever light you please, it must be confessed, however reluctantly on the part of Mr Malthus, that the doctrine he teaches can never be supported by an appeal to the dictates of nature.

Secondly, The doctrine of Mr Malthus is flatly contradicted by that very evidence to which he himself appeals in his endeavours to establish its truth,—I mean the evidence of animated life. Mr Malthus asserts, that there is a "constant tendency in all animated life to increase beyond the nourishment prepared for it."

Now, so far from this being really the case, there is not a single fact in nature more conspicuously observable, than that the numbers of birds, beasts, and fishes, in a

state of nature, have *no tendency whatever* to increase beyond the nourishment prepared for them. This has been shewn in a most masterly manner, by Mr Sadler, in that part of his work (*Law of Population*;) which is entitled, "A Dissertation upon the Balance of the Food, and Numbers of Animated Nature;" the pith of his argument being, that if A B C and D form food for each other; that is, if B be the food of A, C the food of B, and D the food of C, the smallest miscalculation on the part of nature would have the inevitable effect of destroying the existence of the whole. If A, for example, should eat up the whole of B, it is evident that C would increase beyond all bounds, and that D would henceforward be exterminated, as a necessary consequence of the enormous increase of C; that C would then starve, and that B and A must necessarily follow in the same course.

If it were really true, that there is a constant tendency in all animated life to increase beyond the nourishment prepared for it, (and, by the way, there is not so much as one word offered in evidence of the truth of this assertion throughout the whole two volumes of the *Essay on Population*;) it follows, as a matter of course, that all animated

nature must be in a constant state of demi-starvation. If, for instance, the lack of food limits the number of herrings, it is certain that herrings, like the Irish cottagers, must be insufficiently fed; inasmuch as poverty, even in the sea, must precede want. The *average* of herrings, therefore, must, as a necessary consequence, be very poor: but they are no such thing; and therefore it is clear, that herrings have no tendency to increase faster than the nourishment prepared for them.

Again, if there be a constant tendency in all animated life to increase beyond the nourishment prepared for it, how comes it that some kinds of birds, which live upon a certain kind of food, are infinitely more numerous than others that subsist upon the *same kind* of food? If food is the limit of numbers, how comes it that there are a thousand sparrows for a single finch, a thousand rooks for a single daw, a million of swallows for a single flycatcher? These questions, as it appears to me, can only be satisfactorily answered, by allowing that the numbers of every bird, beast, and fish, in a state of nature, are regulated by an innate principle, which principle has no more to do with room or food than it has to do with Parliamentary

Reform : and that nature does not proceed upon the blundering, partial, and irrational method of condemning one half of the species to a state of celibacy, that the other half may be prolific, is as obvious a fact as any in the creation.

If, then, human beings have a tendency to increase faster than the means of their subsistence, they form the single exception to an otherwise universal rule to the contrary ; for, so far from numbers being regulated by food, all the animate world, save man, is tolerably plump and fat ; and birds, beasts, and fishes, living upon the same kind of food, do not increase in an equal degree, but continue to maintain something like a permanent proportion to each other, some being very numerous, whilst others are very scarce. Still, if we observe any one kind of bird or beast, it appears, equally with man, to have a tendency to increase. Reasoning from analogy, therefore, we must come to the conclusion, that as the rest of the animate creation does not increase in disproportion to the food prepared for it, the presumption is, that, in the nature of man, there is also a principle by which his numbers will ever be regulated in due proportion to the room that is prepared for him, and to the food that he is

naturally capable of preparing for himself; that the desire of marriage being universally natural, to marry must be universally right; and that the multitudes of volumes that have been circulated upon the subject of *checks*, have all been written without any reference to the fact, that, in the present state of society, there is no tendency in demand to keep pace with production; or, in other words, that mankind have never yet *exerted the power* which they naturally possess, of supplying themselves with the necessaries, conveniencies, and comforts of life.

It is an established truth, that Nature punishes our ignorances: if an idiot put his hand into the fire, it will not burn him the less because he is an idiot; and if society have, to this hour, conducted its exchanges upon an idiotic principle, it is in strict analogy with the proceedings of nature in every other respect, that society is not punished the less for its folly, because it does not happen to *know* that the principle on which its exchanges are conducted is idiotic.

Thirdly, The assumed facts upon which Mr Malthus's theory of population is founded are unreal.

It would lead to an endless inquiry to

ascertain at what rate population increases under the most favourable circumstances ; but the rate at which Mr Malthus has affirmed that food increases, is purely ideal, and as void of truth and rationality as the most improbable tale in the Thousand and One Nights. The quantity of food, like the quantity of every thing else that is produced, depends upon the effectual demand for it make production the cause of demand, and the delusion will vanish instantly.

A market ! a market ! is the everlasting cry from one end of Europe to the other ; we have subsistence in plenty, and nobody can be found to buy it fast enough. The markets of society are at present as amply supplied with food as they are with other commodities ; and were it otherwise for but a single month, additional capital would rush into those employments by which food is produced. Effectual demand—a term properly defined, by the political economists, to mean the desire to possess any thing, combined with the ability to give an equivalent for it—is the only thing wanting to cause houses to be built, clothes to be manufactured, and food to be produced in quantities without any known or comprehensible limit. At the present time, there is a superabundance of food in

the *market* ; those who have it not, have no money to offer for it ; and therefore it is not the want of food itself, but the want of profitable employment, that causes the hungry to be unfed.

For centuries yet to come, there can be no deficiency of food. In the sea alone, we have an inexhaustible resource for its production ; and the liking for fish, it is well known, uniformly increases as society rises in refinement. And if we look forward to far distant ages, who shall pretend to determine the resources of mankind ? No maxim is more true than that necessity is the mother of invention. What is food ? Matter brought into a certain state of modification. What is the peculiar, the most wonderful quality of matter ? It is its *indestructibility*. We may change its shape ; we may convert it alternately into earth, and air, and water ; but we can only change its shape, for we cannot consume it, or decrease its absolute quantity, to the amount of a single grain.

It is very remarkable, that the theory of Mr Malthus should have gained ground to the extent that it has done in the face of the fact, that the existing policy of almost all nations is to throw every difficulty in the way of importation, and to afford facilities to expor-

tation ; the one being habitually impeded by the imposition of duties, whilst the other is encouraged by the granting of bounties.

The means of subsistence have no innate tendency to increase at all ; they are capable of being increased by the application of human labour, and with what rapidity, depends upon the due admixture of the four ingredients that constitute wealth,—land, labour, capital, and freedom of exchange. Of land, there never can be any want, upon the principles of the Social System, until the whole habitable globe is brought into a state of high cultivation ; of labourers, it is not very likely that a deficiency will ever arise from a superabundant population ; of capital sufficient to employ mankind, we are equally secure, for capital is merely the accumulated produce of anterior labour, and the universal complaint is the want of a sufficient market for the disposal of the produce of labour ; by which it is clearly implied, that capital is capable of being created in superabundance—and so it is. Of the fourth ingredient, freedom of exchange, it is needless to reiterate the demonstration which has so frequently been given respecting it in these pages.

The whole science of political economy,

or "how to make wealth," may be reduced to a simple receipt,—to one as plain as any in *The Cook's Oracle*. Thus,—Take due portions of land, labour, and capital, pound them well up together in a mortar, and the wealth is made. *Note*,—Capital is made of land and labour, so that your wealth never need be of insufficient quantity, until you have exhausted your stock of one of these two ingredients, provided your mortar be not too small.

The *mortar* is all that is wanted: at present, we have no mortar. See to it, ye politicians and political economists; see to it, ye reformers and philanthropists; see to it, Brougham, Grey, Russell, Hume, O'Connell, and others, who have already done so much for the people's *liberty*; make one effort more for the people's *bread*.

But it does not follow, because capital has already accumulated to an extent sufficient to enable us to *produce* marketable commodities in superabundance, that there is any increased facility in *accumulating* them. On the contrary, "capital is formed out of profit;" and it is one of the anomalies arising out of the present plan of exchange, that the more easily we can create wealth, the more diffi-

culty there is in accumulating it: and the reason of this is, that the increase of capital depends, not upon facility of production, but upon the amount of profit attainable by the sale of produce. The competition which exists between rival manufacturers compels them to sell their goods at a very small profit, so small indeed, in a great majority of cases, as barely to support their current expenses, and to prevent the depreciation of their capital. The operatives they employ cannot accumulate capital, for a subsistence is all they can ever get, whilst of operatives there is a superabundance: and if we follow the goods they make into the retail market, we shall find the same principle exerting itself with redoubled energy,—profits reduced to the lowest possible fraction by the competition which exists between tradesman and tradesman.

Capital can have no tendency to increase rapidly whilst we continue to act upon these principles; it can never keep pace with population; and, indeed, it cannot, with any certainty, be secured from decreasing. But, that capital may be made to increase as fast as population, is sufficiently evident; for capital is the result of saving, and a nation can afford to save just so much as it can produce more

than it is necessary for it to consume. Whenever, therefore, we put into operation a rational system of exchange, by which our productive resources may be emancipated from their present bondage, there can be no difficulty about the matter; for, at whatever rate population increases, capital may be made to increase at the same rate, by increasing or decreasing the per centage on the sale of goods, in the manner that has been formerly described.

The occurrence of an occasional famine is no evidence whatever of the inability to produce food in superabundance. Food, like every other marketable commodity, is produced in such quantities as are known by previous experience to be sufficient to meet the ordinary demand for it. But, if a crop fail, an increased effort to produce more cannot be made upon the instant to supply the deficiency. Land is sufficiently cultivated in Ireland to produce enough of food to meet the *ordinary* demand for it; but this is no security against a famine, because the ordinary portion of food left for the producers is but just enough to support them; and whenever a crop fails, they cannot instantly cultivate more land. Double the ordinary demand, and the ordinary products will most

assuredly be doubled too. What says Mr M'Culloch? "A very small advance towards "a better system of farming would enable "Ireland to export five or six times the "quantity of produce she now sends to us." The Irish famines, therefore, are not the result of inability to produce sufficient food, but they are the result of a sudden deficiency of food in proportion to the ordinary demand, or of a sudden excess of demand in proportion to the ordinary supply.

And the same kind of famine visits occasionally trade as well as agriculture. When, for example, in 1817, the Princess Charlotte died, the event being sudden and unexpected, there was a famine in the black bombazine trade: goods which sold usually at 2s. and 2s. 6d. a yard, rose in a day to 4s. and 5s.; and why?—because there was no *time* to manufacture more previous to the commencement of the general mourning; but, if the demand had been foreseen, there would not have been any such scarcity; on the contrary, there would, to a certainty, have been a superabundance. Two kings and two queens of England have died since that period, but no such scarcity of mourning has ever existed since, because the events were not so sudden, nor so unexpected: the demand was fore-

seen, and when it came, an ample supply was ready to meet it.

So it is with Ireland: if it should please God to visit the Irish labourers with a voracious appetite, so that they could not live, or rather could not *work* with less than double the quantity of food they get at present, the inevitable consequence would be, that more food would be in ordinary demand, and more would be produced. But as the ordinary supply would still be but just enough to meet the ordinary demand, and as enough to keep them, and no more, would continue to be the ordinary remuneration of the producers, they would still be as liable to the visitation of a famine as they are now. Or, reverse the case, and suppose that God should be pleased to perform a miracle in favour of the Irish, by acquitting them of the necessity of eating at all, is it not as certain, as that a stone thrown into the air will fall to the ground, that the average rate of Irish wages would speedily fall, by just so much as is now expended in the purchase of potatoes and butter milk, and that the labourers would neither be better clothed, better lodged, nor better educated than they are at present?

Previously to taking leave of Mr Malthus, and turning to another theory of population,

to be presently noticed, let us, in supposition, admit, for the sake of obtaining another view of this subject, the truth of every thing Mr Malthus has written, as to the tendency of population to increase faster than food. It does not, then, I say, amount to the shadow of an argument against the principles of the Social System,—nay more, it furnishes an additional argument, of a very powerful kind, for their adoption.

Checks, then, we shall suppose, are necessary; but where does the check prudential operate with the greatest force? Amongst the ignorant, the wretched, the half-starved? Assuredly not: it has the least influence on those who have most need of it, who have nothing whatever to lose, whose station in life is already so low, that it cannot sink still lower. It has more influence a thousand times amongst the clerks and warehousemen of merchants and bankers in London, and other great cities, than amongst the cabins of the starving Irish. If, then, the world is at this moment as full of people as it can conveniently hold; and if it is, therefore, the present interest of nations to put a full stop to the farther increase of mankind, then I submit, that there is no way in which that object can be so readily carried into

effect, as by the establishment of a system of universal freedom of exchange and unbounded liberality of education; and this opinion is, I believe, in strict accordance with that of Mr Malthus himself.

Mr Malthus, indeed, objects to all systems of equality, upon the ground of their wanting those "stimulants to exertion which can alone overcome the natural indolence of man, and prompt him to the proper cultivation of the earth, and the fabrication of those conveniencies and comforts which are necessary to his happiness." The Social System is not a system of equality; its adoption would, no doubt, have the effect of bringing about a state of society much nearer to equality, than that which now exists, because it would give an equal reward for equal toil; but so far from *withdrawing* the ordinary stimulus to exertion, it would *greatly increase it* by imposing upon every man the necessity of supporting himself and his family, by the useful exertion of body or mind in some way, whilst, at the same time, it would allow of the most devoted attention to professional and scientific pursuits.

There is one question, however, asked by Mr Malthus, (vol. ii. p. 45,) to which, as the advocate of a system having even a semblance

to equality, I feel bound to give an answer. It is this :—" But in any system of equality, " either such as that proposed by Mr Owen, " or in parochial partnerships in land, not " only would there be no means of emigrating to other parishes with any prospect " of relief, but the rate of increase at first " would, of course, be much greater than in " the present state of society. What, then, " I would ask, is to prevent the division of " the produce of the soil to each individual, " from becoming every year less and less, " till the whole society, and every individual " member of it, are pressed down by want " and misery? This is a very simple and " intelligible question ; and, surely, no man " ought to propose or support a system of " equality, who is not able to give a rational " answer to it, at least, in theory. But even " in theory, I have never yet heard any thing " approaching to a rational answer to it."

Here, then, I shall attempt to give an answer to it, as simple, as intelligible, and as rational as the question itself. A society of men, no matter what number, have a quantity of land, which produces yearly a certain quantity of corn, which land the society deposes a sufficient number of men to cultivate. The land being supposed to be the

property of the society, no rent is chargeable upon it; the price of the corn will, therefore, consist of the cost of the seed, the wages of labour, the due maintenance of the quality of the land itself, and the per centage before spoken of; but as the corn is to be sold only for money, which money can be obtained only by putting into the public stock some *saleable* commodity, which has cost as much labour in its production as the corn itself, not a loaf can ever be tasted by any man, until he has *bona fide* given an equivalent for it, which equivalent would be nearly as effective in the purchasing of corn grown upon land on the other side of the Atlantic, as upon the land of the society itself. As, therefore, as much *labour* must be given for the corn, as the corn itself should cost, directly and indirectly, in its production, the importation of corn would always begin when the equivalents offered for it should be greater in number than the corresponding portions of corn ready to be given in exchange for them; or, in other words, whenever the demand for corn should exceed the home supply of it. Thus would "the division of the produce of the soil to each individual" be prevented from decreasing in the smallest degree, so far from becoming every year less

and less. The equivalents offered for corn, over and above the quantity of corn produced on the society lands, would constitute the *demand* for foreign corn; and a due portion of the labour of the society would be forthwith employed in the production of such commodities, as the importers of the corn should be willing to accept in exchange for it.

And this argument can only be met by one of two extravagant suppositions: First, that no foreign growers of corn would sell it for any thing we could either produce, or procure in exchange for any thing we could produce: or, secondly, that the whole earth should be in the same state of high cultivation. And this argument Mr Malthus must not use; for he himself says, that "an event at such a distance, might fairly be left to Providence." That the establishment of this system would lead to the very rapid peopling and cultivation of the earth, I admit at once; but here, again, I have an advocate in Mr Malthus, who says, — "We cannot but conceive, that it is an object of the Creator, that the earth should be replenished."

My argument, however, stops not here, for not only would each man's share of the pro-

duce of the soil, and of labour in general, not become less as population should increase, but it would constantly and habitually become greater. That great magician of productive science, the subdivision of labour, would, under this system, for the first time, exhibit the mightiness of his power; his three wands, noticed in the chapter on production,—the increased dexterity of the workmen, the saving of time commonly lost in the changing of employments, and the invention and application of machinery,—would now *begin* to be waved for the benefit of mankind in general. The extent of the market, by which the division of labour must ever be limited, would increase with population; and by the extended subdivision of employment that would be consequent thereon, the produce of each man's labour would be increased; and the reward of labour being its result, the portion falling to the share of each individual would also be increased in a corresponding degree.

There is, however, a distinction to be made. There are some kinds of commodities which are capable of being increased to an almost indefinite extent by the application of additional labour, whilst there are others which cannot be so increased; the former,

under the Social System, would become almost as plentiful and as accessible as air and water, whilst the latter would gradually become scarcer and dearer. Food, in nearly all its varieties, until the whole habitable globe shall be cultivated, will continue to belong to the first division; so also will most articles of wearing apparel, and many of the elegancies of life. Corn, cattle, and the grape, for example, may be multiplied to an almost indefinite extent, and so may the principal materials of clothing, as wool, cotton, hemp, hides, &c. Luxuries are in an especial manner multipliable by human labour. A pennyworth of raw cotton is convertible into a lace veil, or dress, worth a thousand times the sum. Paintings, again, are of the same character, as also are musical instruments, books, china, glass, and most articles of domestic ornament.

Ivory is an example of the other kind: if the whole habitable globe were under cultivation, the price of the ivory furnished by a single elephant, supposing the rest of the animal, alive or dead, to be of no value to man, would be equal to the cost of all the food and care bestowed upon it during life. Ivory, therefore, would gradually rise in price, as also would all other articles not multipli-

able otherwise than by the application of an increased quantity of capital and labour.

Mr Malthus, however, is not in the undisputed possession of the field, as respects the other view of the subject of population, namely, the law of increase. Mr Michael Thomas Sadler has recently come forth with a couple of volumes, containing upwards of thirteen hundred closely printed pages, upon the same subject. The theory he declares to be the true one, is, that "the prolificness of human beings, otherwise similarly circumstanced, varies inversely as their numbers;" and, moreover, that "the prolificness of human beings, as thus regulated by the extent of the space they occupy, is furthermore influenced by the quality of that space, or otherwise by its potential produce; so that the same number of marriages in a population occupying an equal surface, will, all other circumstances remaining equal, be less productive in mountainous than in champaign countries; and less in the frigid than in the temperate regions."

Startling and improbable as this theory undoubtedly is at first sight, an enormous mass of statistical evidence is adduced by Mr Sadler in its support. It is certainly a very extraordinary fact, if fact it be, that an equal

number of married men and women, of equal age, health, and means, should have more children, provided they reside in a situation where there is but one inhabitant to an acre, than if they should live in a situation where there are two or three inhabitants to an acre. Desirable it undoubtedly is, that the law of increase should contain a self regulating principle, such as is here described. I shall, therefore, give a few of the results of Mr Sadler's investigation, and the grounds on which he says that the principle does exist. The work itself, so far as it is published—for there is another volume to come—is illustrated by a hundred and four tables. Of the theory, Mr Sadler says, “it is constructed
“not upon selected or garbled proofs, but
“upon the *whole* of the known facts bearing
“upon the subject; which facts also are of
“themselves of so unconnected and dissimilar
“a nature, that they would have contradicted
“each other, and have led infallibly to the
“most opposite conclusions as respects the
“principle at issue, had not that principle
“and its proofs been equally true.”

A TABLE,

EXHIBITING THE COMPARATIVE PROLIFICNESS OF MARRIAGES, AS
REGULATED BY THE DENSITY OF THE POPULATION IN
THE COUNTRIES SPECIFIED, AND AT NEARLY
THE SAME PERIOD.

Countries.	Inhabitants on a square mile about	Children to a marriage.
Cape of Good Hope, . .	1	5.48
North America, . . .	4	5.22
Russia in Europe, . . .	23	4.94
Denmark, . . .	73	4.89
Prussia, ...	100	4.70
France, ...	140	4.22
England, ...	160	3.66

IN ENGLAND,

WHERE THERE ARE TO THE SQUARE MILE,

Inhabitants.	Number of Counties.	The births to 100 marriages are
From 50 to 100	2	420
From 100 to 150	9	396
From 150 to 200	16	390
From 200 to 250	4	388
From 250 to 300	5	378
From 300 to 350	3	353
From 500 to 600	2	331
4,000 and upwards	1	246

IN FRANCE,

WHERE THERE ARE TO EACH INHABITANT,

Hectares.	Number of Departments.	The births to 1000 marriages are
From 4 to 5	2	5130
From 3 to 4	3	4372
From 2 to 3	30	4250
From 1 to 2	44	4234
From .06 to 1	5	4146
And .06	1	2557

IN PRUSSIA,

WHERE THERE ARE TO THE SQUARE MILE GERMAN,

Inhabitants.	Number of Provinces.	Births to 100 marriages, 1754.	Births to 100 marriages, 1784.	Births to 100 marriages, (Busching.)
Under 1000	2	434	472	503
1000 to 2000	4	414	445	454
2000 to 3000	6	384	424	426
3000 to 4000	2	365	408	394

IN AMERICA,

IN THE UNITED STATES OF AMERICA, THERE HAVE BEEN, TO EVERY
HUNDRED FEMALES, FROM 16 TO 45 YEARS OF AGE, WHERE
THERE HAVE BEEN ON THE SQUARE MILE,

Inhabitants.	Number of States	Children under ten years of age.
Under 5	8	216
From 5 to 10	2	176
From 10 to 15	4	205
From 15 to 20	1	171
From 20 to 30	6	166
From 30 to 40	2	162
From 40 to 50	none	none
From 50 to 60	2	129
60 and upwards	1	120

A TABLE,

SHEWING THE DIMINISHING FECUNDITY OF MARRIAGES IN ENGLAND,
AS ITS POPULATION HAS INCREASED.

Periods.	Population.	Births to a marriage.
1680	5,500,000	4.65
1730	5,800,000	4.25
1770	7,500,000	3.61
1790	8,700,000	3.59
1805	10,678,500	3.50

The six foregoing tables, if in each case they really represent the fact, are strong evidence of the truth of Mr Sadler's theory, for the charge of selecting particular places, applicable to his peculiar view of the subject, is out of the question. To make out a case, a man may select a parish, a town, or possibly a county, but he who gives England, France, Prussia, and the United States of America, amongst his examples, will hardly be accused of selecting particular instances for the sake of attempting to establish a favourite, but delusive, theory.

The apparent exception to the rule, as exhibited in the table of America, is thus explained by Mr Sadler, *Laws of Population*, vol. ii, p. 244 :—“ I have divided the twenty-six States and Territories, (exclusive of Columbia, or the city of Washington,) thus minutely, for the very purpose of exhibiting an apparent deviation from the principle advanced, which occurs in the second section, and which need not to have appeared, had the classification been somewhat different. But I purposely introduce, and point it out, to notice, as an example of those many exceptions which, in an inquiry of this nature, must constantly arise, and which, when duly considered and understood, constitute direct proofs of the general rule.

“ The two states, in the second line, are those
“ of Maine and Georgia. The first of these,
“ it is true, contains a territory of 32,628
“ square miles, and a population of 298,335
“ souls ; on which the calculation of nine
“ individuals only on the square mile is made.
“ But how stands the real fact ? We are
“ informed on the best authority, (that of Mr
“ Warden,) that of this extent, 7,578 square
“ miles only are, properly speaking, peopled ;
“ the interior, comprising above 25,000, being
“ almost totally uninhabited, numbering, in
“ 1817, only 1500 families. Maine, therefore,
“ being thus rectified, (and none will say
“ that, in reference to the argument, it ought
“ not to be so,) places itself in the fifth line
“ of the above table, or precisely where it
“ should have been, in regard to its actual
“ prolificness : so exactly does the principle
“ of population manifest itself, even in its
“ very exceptions, when such are duly
“ examined. The other state, Georgia, it is
“ well known, is similarly circumstanced with
“ Maine, though not in a like degree.”

The great difficulty of the subject of population, as respects the present view of it, is the impossibility of getting at the facts. I give the foregoing tables, slightly altered, indeed, in *form*, for the sake of greater perspicuity, just as I have found them in a very

elaborate work upon the subject of which it treats. An immense mass of statistical evidence must be carefully examined, and its authenticity be inquired into, before any decided opinion can be formed upon the subject of the absolute increase of mankind, under the various circumstances in which he is placed. Leaving it, therefore, for the literati to settle a dispute in which I am quite incompetent to engage, I have here briefly endeavoured to meet Mr Malthus upon other grounds, and I feel assured that every impartial inquirer into the circumstances which now regulate the production of commodities, will admit that a new light is thrown upon the subject of population by the contents of this volume.

Another fact, mentioned as such by Mr Sadler, is very remarkable. At first sight it would appear, that late marriages, on the part of men, to comparatively young women, would have the effect of condemning a great number of women to the condition of celibacy. Thus, if there be born an equal number of men and women, and if the men were all to marry at the age of thirty to women of the age of twenty, it is obvious, that, in the aggregate population, there would be of the marriageable age an immense preponderance of women, that is, there would be more

marriageable women than men, by the whole number of the latter that should die between the ages of twenty and thirty. For example, suppose, in a hundred instances, there be an equal number of both sexes of the age of twenty, and that an equal number of both sexes die before the age of thirty, the result will be as follows :—

Males of twenty.	Females of twenty.	Deaths of each before thirty. Suppose ten.	Leaving Males	Leaving Females
100	100	10	90	90
Being of the marriageable age 100 Females to 90 Males.				

But nature, who appears to be a stronger advocate for marriage than Mr Malthus, is not easily to be foiled in her intentions. It therefore appears, that if such a custom were to become universal, the comparative deficiency of men of the marriageable age, would speedily be made up by the operation of another law of nature, which enacts, that from any given considerable number of marriages there shall be most male births when the husband is the older, and most female births when the wife is the older. If, then, the men should never marry until they should arrive at the age of fifty, and then in all

cases to females of twenty, the supply of young women would not exceed the demand for them in a greater ratio than it does at present, for the immense preponderance of male births that would then take place would make up for the loss of all the men that should die before the age of fifty, and every woman would have as good a chance of obtaining a husband as ever.

In proof of what is here stated, we are furnished by Mr Sadler, from the Registers of the Peerage, with "381 instances of first marriages, being the whole number in which the ages of both parties could be ascertained," which are as follows:

A TABLE,
SHEWING THE INFLUENCE, WHICH THE DIFFERENCE IN THE AGES OF
THE PARENTS, RESPECTIVELY, HAS IN REGULATING THE
PROPORTION OF THE SEXES OF THEIR CHILDREN.
TAKEN FROM THE REGISTERS OF THE PEERAGE.

Difference of age. The husband being	Number of marriages.	Male births.	Female births.	Being as Males	to Females.
Younger	54	122	141	1000	1156
Of equal age	18	54	57	1000	1055
From 1 to 6 } years older }	126	366	353	1000	964
From 6 to 11 do.	107	327	258	1000	789
From 11 to 16 do.	43	143	97	1000	678
From 16 to 21 do.	22	48	30	1000	625
21 & upwards do.	11	45	27	1000	600

The same rule holds with respect to animals. Mr George Combe (*Constitution of Man*, page 305) quotes from the *Quarterly Journal of Agriculture*, a description of "a method of obtaining a greater number of one sex, at the option of the proprietor, in the breeding of live stock." The rule is, that old fathers produce a majority of males, and old mothers a majority of females; following which in the selection of the parent stock, the result of an experiment for a majority of female lambs, was 84 female births to 53 male births; and the result of another experiment for a majority of male lambs was 80 male births to 55 female. Thus it appears that nature is no respecter of persons, peers of the realm and a flock of sheep being alike subject to the same law.

These instances are very remarkable, and tend to shew, in a conspicuous manner, to use the words of Mr Sadler, that the Creator has "himself regulated the prolificness of his creatures in reference to the circumstances in which his providence shall place them, instead of leaving that regulation, minute as it will be seen it is in itself, to the busy, selfish, and ignorant interference of men, who, on every possible view of the subject, are as incompetent to the task they are

“eager to assume, as they are to that of
“creation.”

Waving, however, every other view of the subject, emigration will continue to be the natural remedy for a too crowded population, so long as there shall be an abundance of fertile and uncultivated land on any portion of the globe. But emigration, as it now takes place, presents but a dreary and uninviting prospect. To turn our backs upon our homes and friends, and to cast ourselves, unknown and unprotected, upon the vast ocean of life, in situations, and under circumstances, presenting scarcely more than some faint ray of hope that we, our children, or their children, may be ultimately benefited by the venture, is but a cold alternative, and but little in accordance with some of the best and warmest feelings of our nature. The enthusiastic fire of youth may doubtless find pleasures in the enterprise, and even the difficulties, troubles, and privations to be encountered, may, in some minds, and for a time, add to the incitement. But these are “the pleasures of hope,” and the delirium of an excited imagination ; they are not the realities of ease, of comfort, and of prosperity.

But if there is an indescribable something in

“home,” which attaches us by a sort of magic power to certain situations, the scenes of youthful mirth and spotless pleasure, remembered in after life only as a dream that has departed, how small is the number of us who escape the pang, severe though, in some instances, it may be, encountered in the separation! Again, how small is, in general, the extent of the enchanted ground! A house, a garden, an arbour, or a tree, with seats around it—a hill, a valley, or a favourite walk beside some rivulet, or through a park or grove—and then the boundary, which being overstepped, the magic is gone, and all the world beside is then the same.

But if emigration be an evil, would it not be possible to lessen its magnitude by emigrating in large numbers, say from twenty to fifty thousand at a time; and, instead of going out, like Don Quixotte, in search of adventures, by being associated and assorted, so that each person might play his part in such a manner as to benefit the whole society. This might be effected by the appointment of a competent body of men to ascertain the most advantageous situations, and to draw up schedules of society, to be filled up by intending emigrants; the number

of each trade, profession, or occupation, being restricted to its due proportion.

Very much, as it appears to me, might thus be done to alleviate the evils of emigration. The circumstances of different countries would be particularly investigated, and valuable information and advice would be given to those persons who might be disposed to leave their own. If it be said, that every man is the best judge of what he should do for himself, it is replied, that in the absence of positive knowledge, which is almost never possessed in such cases, it would generally cost more than an emigrant is possessed of to acquire information that may be fully and implicitly relied upon. Every day brings with it the history of some miserable wretch, who, deluded by vague and exaggerated reports, sought a distant land in the sanguine expectation of finding it to overflow with milk and honey, but who found it to contain for him only the bitterness of disappointed hope.

Emigration would be no great hardship if men were to go out in large numbers at a time, and to take with them such an ample supply of capital, and combination of knowledge and talent, as would enable them to form, as a society, a tolerably perfect whole from the commencement.

But the anti-populationist may follow me even here, and say, When the earth is full, what will you do then? I reply, and the answer is sufficient, that the question is for the consideration of those who may be interested in obtaining an answer to it: for us it is enough to be assured, that we and our children's children can not be of that race: it is for *us* to study our own welfare, and the welfare of those whom *we* may bring into the world, and we may rest assured that in doing this, we shall do nothing to destroy the happiness of future ages.

Food, you tell us, does not increase as fast as population, and that it is the fault of nature that it does not do so. I have denied the truth of the assertion, and *proved*—I think I may use that word—that, *as yet* at least, it is the fault of man. Libeller of nature and her laws, define, if you are able, the boundary of human power! See that principle of progressiveness, which rushes onward from age to age like a mighty torrent, swallowing with insatiable avidity the numberless tributary streams that are daily swelling its magnitude, and giving fresh impetus to its rapidity, and say, if you are able, where is this torrent of human ingenuity and resource to stop! Take but one retrospective glance, and see how

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mightily have its waters swoln, even, as it were, since yesterday, and then look forward and imagine ; cast reason out of sight, call cause and effect a dream, and let the unbridled fancy, stimulated by an insatiable thirst for the impossible, fix an imaginary limit to the power of man, and future ages *still* shall smile at the narrowness of your ideas, and wonder at your feebleness of thought.

CHAPTER XI.

Political Economy—A brief notice of the opinions of the Political Economists, exhibiting the difference, in some respects, between their views and those of the Author of the Social System, and tending also to illustrate, and defend the principle of the foregoing pages.

THERE are two opposite errors into which men are liable to fall, who differ in opinion from others who have written upon the same subjects as themselves ; the one is to underrate the efforts of other men, and to cut and slash about them in reviewing their writings, for the sake of the poor pleasure it affords them to do so ; and the other is to disarm an antagonist, by paying obsequious deference even to what are conceived to be his errors : the cause of truth is always best promoted by avoiding both these extremes. To err is human ; and little indeed is it that an ordinary individual is able to add to the aggregate stock of previously existing knowledge ; yet, from the reiterated attempts of mankind to correct

and enlighten each other, truth is perpetually making its way against every opposition. As the strongest adamant is wasted, in the course of years, by the constant dropping of water, so error yields — however deeply rooted, widely spread, and apparently immoveable — to the irresistible influence of truth.

The political economists are undoubtedly the men to whom every particle of merit is due for ascertaining the principles upon which the machinery of commerce is now working, and if any one, now or hereafter, shall be able to add something to what they have done, however important that addition may be, however practically useless the preceding discoveries may have been without it, still it is to the labour that has gone before that the merit is, for the most part, due.

To investigate the laws which regulate the production, exchange, and distribution of commodities, appears to have been the chief object of the political economists. To ascertain by what laws they may best be regulated is the more important business, provided that the existing laws be not unalterable.

Without professing to have expended very much labour upon the subject, which my occupations in life have never allowed me the opportunity of doing, I have, nevertheless,

made myself sufficiently acquainted with the existing theories of political economy, to satisfy myself, that an effective and practicable remedy, for the evils of the commercial society, has never yet been pointed out by any man; and, since the substance of the foregoing pages was committed to paper, I have carefully examined the last edition of Mr M'Culloch's Principles, for the sake of endeavouring to discover something which might induce me to believe that I am in error. The opinion here stated, as to the practicability of emerging, as if by a miracle, from a condition of poverty and perplexity into one of affluence and ease, cannot fail to be looked upon as extravagant at first sight; but I am constrained to confess my total inability to find so much as a single sentence, in the "*Principles of Political Economy*," to alter my opinion, whilst, on the other hand, I have met with very many to strengthen and confirm it.

It would be needless to discuss at any length the opinions of other writers, because Mr M'Culloch's work—the most important of its kind that has lately appeared—contains a statement of the best established opinions of the present day upon the subject of which it treats. Without, therefore, attempting

to give even an outline of the theory which is there advocated, a knowledge of which can be best and most easily acquired, by those who are unacquainted with it, by a perusal of the work itself, which the Edinburgh Review denominates, "by much the best manual of political economy that has yet been presented to the world," a few extracts from it will here be given, chiefly for the purpose of exhibiting some of the differences between the existing principles of the commercial society and those of the Social System :—

"The Principles of Political Economy, with a Sketch of the Rise and Progress of the Science. By J. R. M'CULLOCH, Esq. Professor of Political Economy in the University of London. Second edition, corrected and greatly enlarged. 1830."

Page 7. "The object of political economy is to point out the means by which the industry of man may be rendered most productive of those necessities, comforts, and enjoyments, which constitute wealth ; to ascertain the circumstances most favourable for its accumulation ; the proportions in which it is divided among the different

“classes of the community ; and the mode
“in which it may be most advantageously
“consumed.” This definition is objected to
only so far as regards the single word that is
here printed in *Italics*. The word “*is*”
ought, it is conceived, to have been “should
“be.” But this definition does not appear
to have been constantly kept in mind ; for, at
page 23, we find the following passage : “The
“economist will not arrive at a true know-
“ledge of the laws *regulating* the production,
“accumulation, distribution, and consumption
“of wealth, unless he draw his materials from
“a very wide surface.” Evidently implying,
that there are laws existing by which these
things are and must be regulated, and that,
therefore, the business of the economist is to
discover laws rather than to frame them.

After observing upon the general neglect
of the science of political economy in former
ages, and upon the increased attention that
has been paid to the subject of late years,
Mr M'Culloch observes, at page 14, “These
“circumstances sufficiently account for the
“late rise of the science, and the little atten-
“tion paid to it down to a very recent period.
“And, since it has become an object of more
“general attention and inquiry, the differ-
“ences which have subsisted among the

“ most eminent of its professors have proved
“ exceedingly unfavourable to its progress,
“ and have generated a disposition to distrust
“ its best established conclusions.” It is
quite evident that there can be almost no
difference of opinion about matters which
are thoroughly understood : so long, therefore,
as such men as Professors Wilson, Malthus,
and M'Culloch, cannot agree upon its first
principles, there will be strong reason for
believing, that political economy is a science
of doubts rather than of certainties.

Page 16. “ It is an admitted principle in
“ morals, as well as political economy, that by
“ far the largest portion of mankind have a
“ much clearer view of what is conducive to
“ their own interests, than it is possible for
“ any other man or select number of men to
“ have ; and, consequently, that it is sound
“ policy to allow each individual to follow
“ the bent of his inclination, and to engage
“ in any branch of industry he may think
“ proper. This is the general theorem ; and
“ it is one which is established on the most
“ comprehensive experience.”

The truth of this is unhesitatingly denied.
If each man were supported by his own
unassisted industry ; if each of us were fed,
clothed, and lodged, by the labour of our

own hands, this proposition would be true; but so soon as a man becomes a member of a commercial society, so soon as he consents to form a *part* of one stupendous whole, instead of being to himself a whole, from that moment a controlling and directing power is as essential to the right working of the *aggregate* of commerce, as it is to an individual manufactory; or as is the "governor," to the right working of the steam engine. By this I do not mean, that the taste and inclinations of the individual members of society are to be interfered with; what I contend for is a controlling and directing power to take in hand the whole of our commercial affairs; and I contend, moreover, *that individual freedom and independence can never exist in any commercial society without it.* When a man becomes a member of a political society, he binds himself to a certain line of conduct, and, failing to keep his bond, he engages to forfeit his property, his liberty, and even his life, to the offended institutions of his country; and what is the result of all this? *Freedom!* The name of it is given up, and the reality is received in exchange for it. The experience of the whole world may be appealed to as evidence of the truth of the assertion, that an uncontrolled system of commerce has ever

had the effect of plunging the great mass of mankind into the depths of poverty and wretchedness. Every man may be free to follow the bent of his own inclination in the choice of his employment, but, before societies can ever prosper, the operations of their individual members must be so regulated that they may become *consistent with*, instead of being *opposed to*, the interests of other men : and Mr M'Culloch might as rationally tell an army of soldiers, that by killing each other they will conquer their common foe ; or a band of musicians, that by each playing beautifully, but no matter what tune or in what time, their music will be delightful ; as to tell a nation of competitors in the employment of capital, that by destroying each other's interest, they will promote the general good. I do not object to individual competition in bodily or mental occupations : competition is, in my opinion, the very spirit of excellence in every thing we undertake ; but I do object to competition in the employment of capital. Capital should be, to the commercial world, what the sun is to the natural world : it should shine equally on the labours of all, rewarding industry with abundance, and idleness with poverty and want.

Page 17. "It should always be kept in view, that it is never any part of the business of the economist to inquire into the means by which the fortunes of individuals have been increased or diminished, except to ascertain their general operation and effect. The *public interests* should always form the exclusive objects of his attention. He is not to frame systems, and devise schemes, for increasing the wealth and enjoyments of particular classes; but to apply himself to discover the sources of national wealth and universal prosperity, and the means by which they may be rendered most productive." By this criterion let the Social System be tried, and if it be weighed in the balance against any previously existing theory of political economy, it will not be found wanting if justice hold the scales.

Page 71. Speaking of Mr Locke's tract on *Raising the Value of Money*, Mr McCulloch observes: "He lays it down broadly, that all taxes, howsoever imposed, must ultimately *fall on the land*; whereas it is plain he ought, consistently with the above principle, to have shewn, that they would fall, not exclusively on the produce of land, but generally on *produce of industry*, or on all species of commodities."

It has been shewn, in a former chapter, how taxes may be made to fall equally upon produce of every description in exact proportion to its value; and also in what manner they may be collected without the expense of a single shilling.

Page 76. "Most writers on political
"economy have entered into lengthened
"discussions with respect to the difference
"between what they have termed productive
"and unproductive labour. I cannot, how-
"ever, I confess, discover any real ground
"for most of those discussions, or for the
"distinctions that have frequently been set
"up between one sort of labour and another.
"The subject is not one in which there is
"apparently any difficulty. It is not at the
"species of labour carried on, but at its results,
"that we should look. So long as an indivi-
"dual employs himself in any way not detri-
"mental to others, and accomplishes the object
"he has in view, his labour is obviously pro-
"ductive; while, if he do not accomplish it,
"or obtain some sort of equivalent advantage
"from the exertion of the labour, it is as
"obviously unproductive. This definition
"seems clear, and leads to no perplexities;
"and it will be shewn, in another chapter,
"that it is not possible to adopt any other

“ without being involved in endless difficulties
“ and contradictions.”

The distinction between productive and unproductive labour is of immense importance. At page 82, Mr M'Culloch says :
“ All have been impressed with the reason-
“ ableness of the maxim which teaches, that
“ those who sow ought to be permitted to
“ reap—that the labour of a man's body, and
“ the work of his hands, are to be considered
“ as exclusively his own.” But how is a man
to be enabled to retain that which is so
unquestionably his own—the produce of his
own labour—unless the arrangements of
society be such as to secure it to him ? No
system of commerce can be conceived more
monstrously at variance with the equitable
principle here laid down by Mr M'Culloch,
than that which compels the poor man to sell
his labour by public competition. He might
as well sell himself ; nay, according to some
accounts, it would be much better for him to
sell his person, than to sell, in the manner he
does at present, the labour of his hands. We
have a nominal system of commercial freedom,
but a real system of commercial slavery : we
have the shadow of that which is right, but
the substance of that which is wrong. Let
the labouring man cease for ever to sell his

labour at all; let him hire and afterwards raise a capital of his own; let him produce wealth and accumulate it; and let him hire servants to take care of it for him, and to give it him back, whenever and in whatever shape he may require it. Thus may the labouring classes retain the command over the wealth they produce until it is consumed; and thus only can they place themselves in a situation in which they can deserve to be denominated free men. Why is it important to distinguish between productive and unproductive labour? Because we can never have in operation too much of the former, nor too little, provided we have sufficient, of the latter,—the former is the team, the latter is the driver,—and the true interest of every nation consists in reducing the greatest possible proportion of its commercial population to the condition of producers, and in advancing that condition to the highest possible state of affluence and enjoyment. Of all useful non-producers, let there be enough; but as they must ever be a direct tax upon producers, great or small, as they are few or many, let their number ever be kept down to that which is sufficient.

Moreover, it is at the "*species of labour* carried on," and not at the "*results*," that we must look to ascertain what is and what is not productive labour, and unless we do this,

we shall never fail to find ourselves "involved" in endless difficulties and contradictions." The *result* of gambling, for example, is frequently to obtain bread; but to produce bread is a very different affair. A lawyer may obtain many thousands a-year by the exercise of his profession; but he does not produce even the vellum whereon he writes. Mr M'Culloch has here confounded two things, which are sometimes as different as black and white,—*producing* and *obtaining*. Why, with reference to the national balance sheet, page 123, have I been obliged to state the necessity of adding a per centage to the cost of goods sufficient to pay all the expenses of salaries, taxes, and national charges, but because all the individuals employed under these heads are non-producers? Why is rent, interest, and profit, necessary for the support of certain classes of society, but because the classes who, for the most part, live thereby, are non-producers? Why does government tax us, directly and indirectly, to the amount of forty or fifty millions a-year, but because its members and dependents are non-producers?

At page 525, Mr M'Culloch quotes Dr Adam Smith upon this subject, and in the index, page 552, he says, that he has refuted the Doctor; let us see. The author of the

Wealth of Nations says, "The labour of
"some of the most respectable orders in the
"society is like that of menial servants,
"unproductive of any value, and does not
"fix or realize itself in any permanent
"subject or vendible commodity, which
"endures after that labour is past, and for
"which an equal quantity of labour could
"afterwards be procured. The sovereign,
"for example, with all the officers both of
"justice and war who serve under him—the
"whole army and navy—are unproductive
"labourers. They are the servants of the
"public, and are maintained by a part of the
"annual produce of the industry of other
"people." So far the Doctor.

"But," says Mr McCulloch, "though these
"statements are plausible, it will not, I
"apprehend, be difficult to shew the fallacy
"of the distinction Dr Smith has endeavoured
"to establish. To begin with his
"strongest case, that of the menial servant,
"he says, that his labour is unproductive,
"because it is not realized in a vendible
"commodity, while the labour of the manufacturer
"is productive, because it is so
"realized. But of what is the labour of the
"manufacturer productive? Does it not
"consist of comforts and conveniences

“ required for the use and accommodation of
“ society ? The manufacturer is not a pro-
“ ducer of matter, but of utility only. And
“ is it not obvious that the menial servant
“ is also a producer of utility ? It is univer-
“ sally allowed, that the labour of the hus-
“ bandman, who raises corn, beef, and other
“ articles of provision, is productive. But if
“ so, why is the labour of the menial servant,
“ who prepares and dresses these articles, and
“ fits them for use, to be set down as unpro-
“ ductive ? It is clear to demonstration, that
“ there is no difference whatever between the
“ two species of industry,—that they are
“ either both productive, or both unpro-
“ ductive. To produce a fire, it is quite as
“ indispensable that coals should be carried
“ from the cellar to the grate, as that they
“ should be carried from the bottom of the
“ mine to the surface of the earth : and if it be
“ said that the miner is a productive labourer,
“ must we not say as much of the servant
“ who is employed to make and mend the
“ fire ? The whole of Dr Smith’s reasoning
“ proceeds on a false hypothesis. He has
“ made a distinction where there is none,
“ and where it is not in the nature of things
“ there can be any. The end of all human
“ exertion is the same ; that is, to increase

“the sum of necessities, comforts, and
“enjoyments; and it must be left to the
“judgment of every one to determine, what
“proportion of these comforts he will have
“in the shape of menial services, and what in
“the shape of material products. It is true,
“as has been sometimes stated, that the
“results of the labour of the menial servant
“are seldom capable of being estimated in
“the same way as the results of the labour
“of the agriculturist, manufacturer, or mer-
“chant: but are they, on that account, the
“less real or valuable? Could the same
“quantity of work be performed by those
“who are called productive labourers, were
“it not for the assistance they derive from
“those who are falsely called unproductive?”

At page 512, Mr M'Culloch has defined consumption to be synonymous with use, and then he adds, “We produce commodities
“only that we may use or consume them.
“Consumption is, in fact, the end and object
“of human exertion.” And, at page 5, he defines *value* to mean “exchangeable worth.” Service certainly comes under the denomination of exchangeable worth, and, therefore, the opinions here quoted are in accordance with Mr M'Culloch's own definition of the meaning of terms. But still there is a much

greater difference between productive and unproductive labour than Mr M'Culloch is willing to allow, even in cases wherein the latter may possess the quality of exchangeable worth.

A *producer* we will here define to be a man, who, by the labour of his own hands, assists in the production of some consumable product, which may be either used or exchanged, after his labour is completed, for some other commodity which has cost an equal quantity of labour in its production ; and a *non-producer* we will define to be a man, who, however useful or necessary his services may be to the well-being of society, does not, by his own hands, assist in the production of any such commodity. The importance of the distinction consists in this : the non-producer, as here defined, must ever be a tax upon producers to the whole amount of that which he consumes ; whereas the producer is not a tax upon any body.

To take Mr M'Culloch's own example. The wages of a man who makes or mends a fire in a *manufactory*, form a part of the direct cost of goods produced, and add to the money price of them. The coals, the attendance on the fire, the material wrought, and the labour expended upon it, are all component parts of

the cost of commodities, and add to their exchangeable value ; and, upon the principles of the Social System, they would all be represented by money brought into existence, as a *consequence* of the commodity having been so produced. But a servant who makes or mends a fire in a *gentleman's house* adds nothing whatever to the national stock of exchangeable wealth ; on the contrary, he diminishes it, and the price of his utility is paid by a claim upon the national stock of accumulated wealth being *transferred* to him from the pocket of his master ; and no additional money is created in consequence of the making or mending of the said fire, as in the other case. The fire in the factory *increases* the aggregate stock of valuables ; the fire in the dwelling-house *diminishes* it. The great distinction between the two cases, in a practical point of view, is, that of these utilitarians there never can be too few, provided always that there are sufficient, whilst of producers there never can be too many, provided there is capital enough to employ them.

Page 527. "Dr. Smith makes no scruple
"about admitting the just title of the work-
"man employed to repair a steam-engine to
"be enrolled in the productive class ; and

“yet he would place a physician, who had “been instrumental in saving the life of “Arkwright or Watt, amongst those that are “unproductive !” Certainly ; and he is right : for the former *increases the stock* of exchangeable wealth, repairing and making being precisely the same in this respect, whilst the other only *acquires a right to* that which previously existed. If Arkwright and Watt had been marketable commodities—slaves—the physician who should prolong their lives would be entitled to the denomination of a productive labourer.

At page 529, Mr M'Culloch assumes, that players, singers, opera-dancers, and buffoons, are productive labourers ; and, at page 531, that the higher classes of functionaries, when they properly discharge the duties of their office, are “the most productive labourers in “a state ;” and a little afterwards he says, in the same page : “Take a parallel case, that of “the labourers employed to construct fences : “no one ever presumed to doubt that their “labour is productive ; and yet they do not “contribute directly to the production of “corn, or of any other *valuable* product.” Do they not ? Does not a fence contain exchangeable worth ? Is not a stone wall a valuable product ? Does it not add exchange-

able value to the estate on which it is erected, provided it be judiciously placed there? Assuredly it does, but how much exchangeable worth does the opera-dancer or the buffoon leave behind him on the stage of the theatre in which he performs? None whatever: such men add nothing to the consumable stock of wealth; and a gambler, a fortune-teller, or a dancing bear, may as justly be termed a productive labourer, as the man who produces nothing whatever but a posture or a grin.

“Could the same quantity of work,” says Mr M'Culloch, “be performed by those who are called productive labourers, were it not for the assistance they derive from those who are *falsely* called unproductive?” No: but the same quantity of work could be performed by the productive labourers, with the assistance of a fifth part of the presently existing number of those who are *truly* called unproductive.

It may be difficult, in some few cases, to draw a very distinct line of demarcation between productive and unproductive labour. As Mr Mill says, upon the same subject, (*Elements of Political Economy*, page 218,) “Between things that differ the most widely, there is always an order of things which

“ approach them by insensible gradations ;” and again, “ Notwithstanding this difficulty, it “ is absolutely necessary, for the purposes of “ human discourse, that classification should “ be performed, and the line drawn some- “ where.” Under the Social System, however, there could be no practical difficulty about this matter ; for, productive or unproductive, that man only would be admitted a member of the association, the labour of whose hands, or of whose head, should be acknowledged to be useful, by *money being created* to remunerate him for benefits conferred upon the commercial state. Society may be divided into three classes, — producers, useful non-producers, and drones. Of the first, we never can have too many, so long as capital is abundant ; of the second, we never can have too few, provided we have enough to keep producers in full and unretarded operation ; and of the third, it is most desirable to have none.

Page 80. “ The principle of increase “ implanted in the human race is so very “ powerful, that population never fails of “ speedily expanding to the limits of subsistence, how much soever they may be “ extended. Indeed, *its natural tendency is “ to exceed these limits, or to increase the*

“ number of people faster than the supplies
“ of food and other necessary accommoda-
“ tions provided for their support.”

There is no tendency in population to increase faster than the means of subsistence, so far as *nature* is concerned. We are told much about the necessity of “ checks.” “ First cast out the beam out of thine own eye, and then shalt thou see clearly to cast out the moat out of thy brother’s eye.” There are, unfortunately, other checks besides those on population to be considered : there are the checks upon production, the checks upon exchange, the checks upon distribution, and the checks upon accumulation. Remove the existing checks, and then it will be seen that there is no need for imposing any new ones. Nature, unassisted Nature, produces little food, and no children : she has implanted in man necessities and desires, which insure the production of the one, and the increase of the other ; but it is by the voluntary act of man himself that both are increased, and Nature herself has interfered much more obviously in fixing a limit to the increase of the latter than of the former. We cannot sow children by the acre as we do turnips, or plant them by thousands as we do cabbages, or weave them by steam as we do cloth : the

most enormous bump of philoprogenitiveness can avail nothing; Nature will have her course, and children, albeit no uncommon kind of produce, come but slowly and deliberately into the world after all.

Page 84. "The property of a landlord is "violated, when he is compelled to adopt "any system of cultivation, even though it "were really preferable to that which he "was previously following; the property of "a capitalist is violated when he is obliged "to accept a particular rate of interest for "his stock; and the property of a labourer "is violated when he is obliged to employ "himself in any particular occupation, or for "a fixed rate of wages."

The property of no man can be violated by the formation of such arrangements as shall have the effect of fixing the rate of wages at *the result* of labour, subject to the smallest possible deduction for the support of unproductive labour. Not only would the property of the labourer not be violated by his wages being thus fixed, but it must ever continue to be violated until they are thus fixed. The existing system of commerce has precisely the same effect as an act of parliament would have, fixing the price of labour at the lowest sufficient quantity

to support life, and to continue the same miserable race of labourers. Indeed, this is the definition given by the political economists to the *natural* rate of wages. In opposition to this, I hold the natural rate of wages to be *the whole that is produced* by labour, subject only to the above defined deduction.

Page 92. "The facility of exchanging is the vivifying principle of industry: it stimulates agriculturists to adopt the best system of cultivation, and to raise the largest crops, because it enables them to exchange whatever portion of the produce of their lands exceeds their own wants, for other commodities contributing to their comforts and enjoyments; and it stimulates manufacturers and merchants to increase and improve the quantity, variety, and quality of their goods, that they may thereby obtain greater supplies of raw produce."

The facility of exchanging, in the present day, is the freedom of bondage, the wisdom of folly, the virtue of vice: no such thing exists. The freedom of exchange now is all on the one side: there is freedom enough in exchanging money for goods, but there is no freedom in exchanging goods for money.

The former is all ease, the latter all difficulty ; but, when freedom of exchange shall be really established, it will be just as easy and unexpensive to sell as it now is to buy—to convert goods into money, as money into goods.

Page 95. "Like the different parts of a " well-constructed engine, the inhabitants of " a civilized country *are* all mutually dependent on, and connected with each other. " Without any previous concert, and obeying " only the powerful and steady impulse of " self-interest, they universally conspire to " the same great end ; and contribute, each " in his respective sphere, to furnish the " greatest supply of necessities, luxuries, " conveniencies, and enjoyments." For *are*, read *should be* : they do no such thing, and without previous concert, they never by possibility can universally conspire to the same great end.

Page 104. "The produce of the labour of " a nation cannot be increased otherwise " than by an increase in the number of its " labourers, or in their productive powers ; " but without an increase of *capital*, it is, in " most cases, impossible to employ another " workman with advantage." And, if the institutions of society had been framed with

a single object, that object being to prevent the increase of capital, it is hardly possible to conceive in what manner they could be improved.

Beginning at page 123, Mr M'Culloch has devoted a short chapter to the consideration of credit, and shews its utility in the present state of society. The Social System embraces an infinitely more comprehensive system of credit than any at present in existence, and, at the same time, it combines security with convenience to an extent very far beyond any plan that appears to have been previously contemplated. In short, whilst it avoids all the evils, it embraces every advantage that belongs to the present system of credit.

Page 134. "No certain estimate can ever be formed of the quantity of money required to conduct the business of any country; this quantity being, in all cases, determined by the value of money itself, the services it has to perform, and the devices used for economizing its employment." Compare this loose, indefinite, and unsatisfactory description with the principles here laid down in the chapters on exchange and distribution. Under the Social System, the money in circulation and the goods in the national stores would always be exactly equivalent, increasing

and decreasing together. The money would be the demand; the property would be the supply, and the one would ever be equal to the other.

Page 139. "It is frequently, indeed, alleged, "that the number of retailers is, in most "places, unnecessarily great, and that, in "order to subsist, they charge an enormous "profit. But it is easy to see, that there can "be no real ground for these statements. A "regard to their own interest will always "prevent too many individuals from entering "into the retail trade, as it prevents them "from entering into any other employment ; "at the same time that the competition to "which they are exposed will effectually "hinder them from realizing more than the "ordinary rate of profit."

It is the interest of all producers to be burdened as little as possible with the expense of keeping non-producers. Retailers are non-producers ; and were their profits regulated upon equitable principles, instead of by competition between each other, two-thirds of them, at least, might be dispensed with, and their work be infinitely better done. Take the business of a general clothier, for example, one who keeps the materials of every description of male and female dress. In a town

of twenty thousand inhabitants, there are commonly dozens of retailers of dress, carrying on business upon a more or less extensive scale. The capital employed is many times what it need be, and yet, from the great sameness and subdivision of the aggregate stock, there is nothing like the convenience to the public that would be given by the substitution of one or two large establishments for the whole, with about three times the stock of any one previously existing. The returns, in this case, would be far more rapid; the loss on bad stock, would be reduced to a twentieth part of its present amount; the number of persons required to conduct any given quantity of business, would be incredibly decreased; and the occupation itself would become much more respectable. The general effect of the whole system of retail trade as it is now carried on, is to tax producers to many times the extent that would be necessary for its liberal support, under proper regulations.

Page 149. "We have already seen, that the
"number of workmen employed in a country
"must always be limited to the number
"which its capital can feed and maintain.
"But it is plain that no regulation can
"directly add any thing to that capital." By

adopting the regulations that have been pointed out in this volume, the capital of a country would be as certainly and as regularly increased, as would that of an individual, who, having an income of £100 a-year, could only spend £90 of it.

Page 149. "Every individual is constantly exerting himself to find out the most advantageous methods of employing his capital and labour. It is true that it is his own advantage, and not that of the society, which he has in view; but a society being nothing more than a collection of individuals, it is plain that each, in steadily pursuing his own aggrandizement, is following that precise line of conduct which is most for the public advantage." This is one of the great errors of the political economists. It is, unfortunately, not true, that "each, in steadily pursuing his own aggrandizement, is following that precise line of conduct which is most for the public advantage." In the present state of society, persons following their individual interests in the employment of capital are uniformly acting in opposition to the interests of others. Manufacturers and traders, looking at them individually, appear to be opposed only to the persons who are engaged in like trades

and occupations with themselves; for as the price of goods is *apparently* lowered by competition in buying and selling, the public would, at first sight, appear to be benefited by this very opposition. But it is no such thing: the greater the subdivision of trades into distinct establishments, the greater is the amount of profit per cent *necessary* for their support, and the whole system, as it is now carried on, is nothing better than a national conspiracy to prevent the increase of capital, and to perpetuate poverty and wretchedness.

Page 149. "Self-interest is the most
"powerful stimulus that can be applied to
"excite the industry, and to sharpen the
"intellect and ingenuity of man; and no
"proposition can be more true, than that
"each individual can, in his local situation,
"judge better what is advantageous and
"useful for himself than any other person."
The experience of every age and of every nation has proved, that a man can no more fix himself in that particular station of life which is best suited either to his individual interest, or to the collective interest of society, without the aid of a directing power to regulate the proceedings of the whole

society, than can a bar of iron convert itself into a spring, or wheel, or screw, as it happens to be most wanted, for a piece of mechanism. To be industrious is nothing: we must work *with*, instead of *against*, our fellows, before we can work effectually either for their interest or for our own. Population, so long as the present system of exchange exists, will ever have a tendency to increase faster than capital; and in two centuries, we shall have to divide the food of nine persons amongst two hundred and fifty-six.

Page 157. "What has now been stated goes far to settle the disputed question as to the influence of absentee expenditure. "If an English gentleman, living at home, "and using none but foreign articles in his establishment, gives the same encouragement to industry that he would do were he "to use none but British articles, he must, it "is obvious, do the same thing should he go "abroad. Whatever he may get from the "foreigner, when at Paris or Brussels, must "be paid for, directly or indirectly, in British "articles, quite in the same way as when he "resided in London. Nor is it easy to "imagine any grounds for pronouncing his

“ expenditure in the latter more beneficial to
“ this country than in the former.

“ I do not mean, by any thing now stated,
“ nor did I ever mean, by any thing I have
“ stated on other occasions, to maintain, that
“ absenteeism may not be, in several respects,
“ injurious. It would be easy, indeed, to
“ shew, that both England and Scotland have
“ been largely benefited by the residence of
“ the great landed proprietors on their estates.
“ No one can doubt that they have been
“ highly instrumental in introducing the
“ manners, and in diffusing a taste for the
“ conveniencies and enjoyments of a more
“ refined society ; and that the improved
“ communications between different places,
“ the expensive and commodious farm
“ buildings, and the plantations with which
“ the country is sheltered and ornamented,
“ are to be, in a great degree, ascribed to
“ their residence. It may be doubted, how-
“ ever, considering the circumstances under
“ which most Irish landlords acquired their
“ estates, the difference between their reli-
“ gious tenets and those of their tenants,
“ the peculiar tenures under which the latter
“ hold their lands, and the political condition
“ of the country, whether their residence
“ would have been of any considerable

“ advantage. But, whatever conclusion may
“ be come to as to this point, cannot affect
“ what has been stated in the text. [This
quotation is a note in the original.] The
“ question really at issue refers merely to
“ the *spending* of revenue, and has nothing
“ to do with the improvement of estates ;
“ and, notwithstanding all that has been said
“ to the contrary, I am not yet convinced
“ that absenteeism is, in this respect, at all
“ injurious.”

The words, “ what has now been stated,”
refer to an argument too long to be quoted
here, the purport of which is, that “ if *expor-*
“ *tation* be a good thing—and the most ardent
“ admirers of the restrictive system admit it
“ to be such—*importation* must also be a good
“ thing ; for the two are indissolubly con-
“ nected ; and to separate them, even in
“ imagination, implies a total ignorance of
“ the most obvious principles.” It does not
form any part of the professed object of this
book to enter the lists with the political
economists upon their own ground, that is,
to combat their opinions with reference to
their own system : but it would not perhaps
be very difficult to detect a fallacy in Mr
McCulloch’s opinion, with reference to the
two subjects of free trade and absenteeism.

Under any system trade can never be too free, because, as Mr M'Culloch has observed, importation and exportation are indissolubly united, and it is impossible to prohibit the one without injuring the other also. It is, however, the interest of every nation to expend the *profit* derived from the exchange of commodities at home, as well as revenue of every description.

Thus, cloth is produced in England, which costs £100 in gold, and it sells in Peru for £120 in gold. Well, the cloth is sent to Peru, and the gold is brought to England, and by the transaction the English merchant is a gainer of £20. Now, it is evident that the *spending* of this £20, in the purchase of Peruvian labour, will not create any demand for English produce, and neither will the spending of it in the purchase of English labour, create any demand for Peruvian produce. Whilst, therefore, exportation and importation must always be of equal nominal value, the spending of the *profit* derived from the exchange, is always beneficial to that country, the labour of which is purchased by it, *because* there is nothing to be sent out of the country as a consequence of the transaction.

Again, a merchant sends, at 20 per cent profit, cottons, value £100, to France, and he

receives £100 worth of silks in exchange for them. He gains in this case silks value £20 by the transaction, the half of which, we will suppose, he requires to have made into dresses for his wife, and, instead of money, he gives the other half to the dressmaker for her trouble: is it not as clear as daylight that the advantage, so far as relates to the *spending of revenue*, lies with that country where the dressmaker resides? An English gentleman "living at home, and using none but foreign articles in his establishment, gives the same encouragement to industry,"—to British industry, mind,—"that he would do" were he to use none but British articles!" Suppose, then, that a foreigner be a tailor, and that, instead of in the Palais Royal, he resides in Regent Street, London, will the English tailor, who lives next door to him, receive the same encouragement as himself? Verily he will not, and neither will any other man in Britain, in any trade whatever.

Now for the absentee, of whom Mr M'Culloch affirms, that as respects the spending of revenue, it matters not where he lives. To raise rent, produce must be sold at home or abroad, and in either case, whoever buys it is entitled to consume it, and so far absenteeism is a matter of no importance. The Irish corn being sold in London, must bring

from London into Ireland, money or goods, as valuable as the corn taken out of Ireland. But the rent being paid in money, is it of no consequence to Ireland whether the money be *expended* in employing Irishmen or Frenchmen? The landlord, we shall suppose, has an income of ten thousand pounds, and he requires a house and furniture, food, clothes, amusement, professional advice, equipages, attendants, servants,—and thousands of people are ready in every European country to furnish their commodities and labour to all who have money to offer for them. Suppose that rents were paid in kind, and that, instead of money, the income of the landlord is ten thousand bushels of corn: if he spend his income in Ireland, he transfers to the *Irish* builder, furnisher, provision merchant, clothier, player, physician, coach builder, and domestic servant, in return for goods which would never otherwise have been produced, and for services which would never otherwise have been performed, that portion of his corn which he does not require to consume himself, that is, almost the whole of it; but if he spend his income in Italy, he transfers to the *Italian* builder, furnisher, provision merchant, clothier, player, physician, coach builder, and domestic servant, in

return for services performed by *them*, that portion of his corn, which, had he remained at home, would have become food for his countrymen, and the services rendered to him in Italy, would never have been performed had he and his property been in Ireland.

A physician, for example, takes up his residence in a forest; will the trees come to be cured of a cholic? will they drop gold instead of dew? or will not dead leaves be more plentiful than bank notes? But instead of trees, or the starving peasantry of Ireland, plant wealthy landlords, with their wives, families, and domestics, around the dispenser of drugs and chemicals, and see if it be the same thing to *him* whether the immense stores of wealth, created by the laborious, are assigned to a foreigner or to himself; and the question being answered, repeat it to the builder, the furnisher, the merchant, the clothier, the player, and the servant.

If the Dukes of Bedford and Buccleuch *really consumed* all that portion of wheat, oats, barley, hay, straw, peas, beans, and clover—lambs, calves, sheep, and oxen—pigs, game, and poultry,—which is produced on their estates, and paid to them annually in the name of rent, it would be a matter of very

small importance whether they should reside in England and Scotland, or in the antipodes ; indeed, the latter would be the preferable place of the three, for a trifling portion would, in that case, require to be paid to the persons employed in conveying the feast. But these noblemen do not, and *cannot*, consume their rents : they, therefore, *assign them to others* in return for services received, which services would never otherwise be performed ; and the difference in the effect between assigning them to Englishmen and Scotchmen, instead of to foreigners, is, that the former instead of the latter are made partakers of the aforesaid produce.

Extreme cases are often a powerful test of truth. Ireland, then, is now said to be capable of supporting seven millions of people. Suppose Ireland to be the property of one man, and that one other man is able to cultivate it for him. The proprietor resides in France,—what follows ? All the Irish produce, save only the wages of one man, goes out of the country, in the first instance, for money ; the money being received, is posted off to Paris, and Ireland supports one Irishman and seven millions, save one, of Frenchmen. Reverse the case : the proprietor resides in Ireland, the whole

produce, we shall still suppose, is sold for money; but the money being spent in Ireland, brings an equal quantity of produce back again into the country in exchange for that which is exported, and Ireland now supports at home seven millions of people instead of one man.

Following the rents *into* the pockets merely of the landlords, absenteeism would not appear to do any harm; but we must follow them *out of* their pockets, as well as into them, before we can justly estimate the effect of absenteeism.

The remedy for the evil is not, however, to be found in taxing absentees, nor in a miserably ineffective system of poor laws, but in setting on foot a rational system of exchange, by which capital may be made to increase as fast as population, whereby profitable employment may be given to every man. At present, four-fifths of the population of this country have almost no choice what they shall do: there is no constantly increasing capital "marching abreast" with population, and consequently there is a constant scramble for employment of every description; and this is the sort of *freedom* which an individual now possesses "to follow the bent of his inclination, and to engage

“ in any branch of industry he may think “ proper !” Upon the principles here pointed out, every man would be able to obtain employment at the average rate of wages ; and if a labourer did not work for a rich man, that he might partake of his riches, he would merely have to work for himself instead, and the result to him would be the same. Production is not now the cause of demand, but demand is the cause of production. *Spending an income*, therefore, creates employment, which would not otherwise exist ; but it has been elsewhere shewn how profitable employment may be created for all men, without depending, in the smallest degree, upon the will or taste of the rich and powerful.

Page 173. “ Instead of its being true, that “ the workmen employed in manufacturing “ establishments are less intelligent and acute “ than those employed in agriculture, the “ fact is distinctly and completely the reverse. “ The weavers and other mechanics of Glasgow, Manchester, and Birmingham, possess “ far more information than is possessed by “ the agricultural labourers of any county in “ the empire.” Some people will dispute this, perhaps, but I quote the remark for a different purpose. It would be difficult to discover

why a weaver, a tailor, or a shoemaker, should be a less intelligent being than those belonging to any other class of society. There is nothing either dishonourable or stultifying in useful employment, and the common distaste for it amongst the better educated classes, arises from the association of other ideas than those necessarily connected with the occupations themselves. If every man were to receive a refined and liberal education, the name of operative would not sound one jot less respectable than that of banker or merchant does at present. The notion of inferiority which now attaches to the lower orders of society, has its foundation rather in a distaste for the habits and manners of the persons themselves, than for the occupations and pursuits they follow; but if a national system of education were established, for the purpose of cultivating the minds of all men, to an extent sufficient to create, as nearly as the differences of intellect would allow of it, a mental equality amongst mankind, there would no longer be any antipathy to productive employments. This, however, is stated as a general, not as an invariable rule; for it certainly appears that there are some very necessary occupations in life so odious, that no man

who follows them, rich though he may be, could be possessed of very much refinement. A man may sow corn and reap it, he may manufacture goods and sell them, and all this may be rendered quite consistent with the character and feelings of a gentleman; but mining, the more laborious occupations in foundries, and some others, appear to require a condition of bodily toil which is very inconsistent with our present notions of refinement.

The condition of unmarried and dependent females, in the present state of society, is most piteous. There are but two or three occupations in which a well educated woman can now engage, without being certainly excluded from a rank in society, to which she may otherwise be fully qualified to belong. What, I should like to know—save our present barbarous system of exchange, which reduces the remuneration for such employments to a mere existence—should prevent *ladies* from engaging in the numerous light, healthy, and agreeable employments that are afforded, in innumerable variety, by our various branches of manufacture? Would books, for instance, be less agreeable to read, because they had been folded by fingers that could play the harp?

or would the harp-strings be contaminated by the touch of fingers that had recently been employed in reducing, to the form of a book, sheets of the *Waverley Novels* or *The Keepsake*? The supposition that useful employments must ever be followed by the poor, the vulgar, and the unaccomplished, has no better foundation than the most stupid blindness to the causes which render them, for the most part, so at present—inadequate remuneration, the taxes of unproductive labour, and commercial impolicy.

For selling goods of any description, save only those which are now sold exclusively by females to females, ladies are totally unfit. The management of a stock of goods, of whatever kind, is a proper employment only for men; and selling goods, moreover, in a public shop, is an occupation by no means consistent with the delicacy and reserve which properly belong to the female character, particularly in youth; but that many of the light, agreeable, and useful employments, in our manufactories, will be followed,—not, indeed, for ten, twelve, or fourteen hours a-day, but, probably, for four or six,—by women, with whom the present generation of ladies could not, for an instant, be compared in knowledge, in refinement, or in elegance

of mind or person, is an event which I firmly believe will one day come to pass.

Page 181. “ If the construction of a
“ machine, that would manufacture two pairs
“ of stockings for the same expense that had
“ previously been required to manufacture
“ one pair, be under any circumstances
“ injurious, the injury would, obviously, be
“ equal were the same thing accomplished by
“ increased dexterity and skill on the part
“ of the knitters; were the females, for
“ example, who have been in the habit of
“ knitting two or three pairs in the week,
“ able in future to knit four or six pairs. There
“ is really no difference in the cases.” This
quotation is given merely for the purpose of
transferring to these pages as clear, concise,
and conclusive an argument in favour of
machinery as can be well imagined. It is,
however, for the advocates of the existing
principles of society to contend the point
with Mr M'Culloch, whether economy or
extravagance be our present interest.

Page 184. *Gluts*.—“ Every man's object,
“ in exerting his productive powers, must
“ be either to consume the entire produce
“ of his labour himself, or to exchange it, or
“ portions of it, for such commodities as he
“ wishes to obtain from others. Suppose,

“ now, that he directly consumes every thing
“ he produces : it is obvious that in such a
“ case there can be no glut or excess ; for, to
“ suppose that commodities, produced in
“ order to be directly consumed by the indi-
“ viduals producing them, may be in excess,
“ is equivalent to supposing that production
“ may be carried on without any motive,
“ or that there may be an effect without
“ a cause ! When individuals, instead of
“ directly consuming the produce of their
“ industry, offer it in exchange to others;
“ their miscalculation may occasion a glut.
“ Should A, for example, produce commo-
“ dities, and offer them in exchange to B or
“ C, who is unable to furnish him with those
“ he is desirous to obtain, he will have mis-
“ calculated, and there will be a glut: he
“ should, it is obvious, have either offered his
“ commodities to others, or have applied
“ himself to the production of those which
“ he wanted. This, however, is an error that
“ will speedily be rectified ; for, if he find
“ that he cannot attain his object by prose-
“ cuting his present employment, he will
“ forthwith set about changing it, producing,
“ in time to come, such commodities only as
“ he can find a merchant for, or as he means
“ to consume. It is clear, therefore, that a

“ *universally* increased facility of production
“ can never be the cause of a permanent over-
“ loading of the market.”

The confused and contradictory notions which at present exist among mankind upon the subject of gluts, are owing entirely to the existing plan of exchange. All arguments founded upon what an individual would do, as in the case instanced above, fall to the ground, as being inapplicable to the present state of society, on account of the difficulty of exchanging one thing for another. There never could be a general glut, if freedom of exchange really existed, and if mankind were in the habit of using a measure of value as an instrument of exchange; but in the absence of these conditions—and unfortunately they are absent—there may be a glut of almost every thing. Suppose that tomorrow there should be an immense increase of goods of every description save money: it is of no avail that they are equal to each other, and that there is in fact no glut of any thing, so far as the wants and wishes of mankind are concerned; for an inevitable consequence of this general increase would be, an advance in the price of money, or what is the same thing, a general fall in the money price of goods. All stocks on hand would

therefore require to be sold at a loss. And this is an evil which does not and cannot cure itself; for as commodities must always be produced in apparent superabundance *before* any fall can take place in their money price, they must uniformly be sold at a loss wherever they are produced in such quantities as to lower themselves in money price; the *higher* price of production always *preceding* the *lower* price of sale. And it is no answer to this to say, that in the case supposed, money would also increase in quantity; for it is *quite impossible* that it could do any such thing, to a sufficient extent to prevent the evil that has been pointed out.

The increase of money is always a matter of more caution than the increase of other things. The securities on which it is given out are limited in number, and peculiar in kind; such as lands, houses, well secured bills, and other retainable and imperishable property. Who ever heard of a bank advancing £100 upon the security of a cargo of mackerel, or of ripe fruit, the estimated value of which was only £100; and yet, unless money be increased as fish are caught, and as cherries ripen and are gathered for the market, and be decreased as fish and cherries are consumed, there can be no security against

the recurrence of gluts : gluts meaning, not superabundance of the commodity brought into the market, so far as regards the wants and wishes of society, or the ability to give an equivalent for it, if the power of exchanging were to be freed from its shackles, but such a quantity as shall cause a *fall in money price*, and consequent loss instead of profit to the undertaker.

But I have said, that under the present system of exchange it is *impossible* that money should increase with sufficient rapidity to prevent the evil that has been pointed out. Commodities are of two kinds,—those that are, and those that are not, capable of being increased in unlimited quantities by the application of human labour ; and there are also all the degrees between these two extremes. It is needless to argue the fact—for to point to it will be sufficient—that *gold* is not as multipliable by human labour as the *aggregate of other produce*. If, then, the aggregate of other produce be increased faster than gold, it—the *aggregate* of produce, mind—must be sold at a loss : it will not be the *exception*, but it will be the *rule*, to lose by the employment of capital, instead of to gain by it. And the liability of bankers to pay their notes in gold, renders it quite impossible for them to

supply the deficiency; for, if they were to make the attempt, gold would immediately rise in price, as compared with their notes, which would henceforth be returned upon their hands as fast as they could issue them. Then, it may be said, suppose the bankers were not liable to pay their notes in specie, what would happen? Why, then, bank notes would be as plentiful as potatoes—there would be no end to them; a pound note would soon have to be given for a pound of mutton chops, and the most unutterable confusion would arise from the other extreme. Twist and turn this subject, then, in whatever way you please, you will find that the only species of money that can ever allow production to go on unchecked, must be a *symbol*, not a commodity, increasing as the produce of labour increases, and decreasing as the produce of labour is privately appropriated or consumed.

A very little reflection will convince any practical man, that over-production—gluts—is not the effect of miscalculation: if it were, there never could be any such thing as a *general* stagnation of trade, or a *general* difficulty of obtaining a fair and reasonable profit by the employment of capital. A few articles might be superabundant now and then, but

the mass would always be sold as readily as it could be made, *and the deficiency would always be as obvious as the glut.* But, instead of this being really the case, turn to whatever branch of productive industry you will, there is a superabundant power of production ; or, in other words, production is the effect of demand, and not the cause of it. Gluts of one thing, we are told, merely argue a corresponding deficiency of some other thing ; but unless that other thing be money, it is an evident absurdity to attribute them to any such cause.

There is no tendency in demand to keep pace with production. Create an increased demand, and never fear but it will immediately be followed by a corresponding increase of production. If effectual demand were really the result of production, the difficulty of obtaining goods, at fair prices, for money, would always be exactly equal with that of obtaining money for goods at fair prices. To buy and to sell would always, in the aggregate, be equally easy and difficult ; in fact, there would be no difficulty in either case. All the arts and schemes, contrivances and adulterations, that are now resorted to by venders to obtain customers, would be done away with, because there would no

longer be any motive for their continuance. And under the Social System it would really be so: as respects difficulty, there would be no difference whatever between buying and selling. Effectual demand would really depend upon production, because all production would cause effectual demand: the natural demand would be uniformly equal to the whole quantity produced, and there would be no greater favour in giving money for goods than in giving goods for money.

At page 185, Mr McCulloch objects to the doctrine of Mr Malthus, who has "been led to deny the proposition that effective demand depends upon production." To say that effective demand depends upon production is a mere quibble, unless production uniformly causes effectual demand; and it does no such thing. The non-initiated in the mysteries of the existing school of political economy, answer the proposition point blank, and hesitate not to declare it to be, what in reality it is, a downright absurdity. "What," says the tailor, "do you really mean to say, that I have nothing to do but to stitch away from sunrise to midnight, and that my coats and vests will be demanded as fast as they are made! No, sir, depend upon it, notwithstanding any beautiful theory of cob-

“ webs that may exist within your pericranium
“ to the contrary, demand does not depend
“ upon production, but production depends
“ upon demand; for, in my trade at least,
“ goods are made *because* they are ordered,
“ and they are not necessarily ordered because
“ they happen to be made. A thousand coats
“ will not produce a thousand customers,
“ but a thousand customers will produce a
“ thousand coats.” The same answer would
be given by all the tailors in Britain, and not
by them only, but by all the conductors of
productive trades in existence.

Practically speaking, then, it is mere non-
sense to say that effective demand depends
upon production. “ But,” says Mr McCulloch,
at page 184, “ suppose that the amount
“ of capital and labour, engaged in every
“ different employment, is adjusted according
“ to the effectual demand, and that they are
“ *all* yielding the same nett profit; if the
“ productive powers of labour were univer-
“ sally increased, the commodities produced
“ would all preserve the same relation to
“ each other. Double or treble the quantity
“ of one commodity would be given for
“ double or treble the quantity of every
“ other commodity. There would be a
“ general augmentation of the wealth of the

“ society, but there would be no excess of
“ commodities in the market ; the increased
“ equivalents on the one side being precisely
“ balanced by a corresponding increase on
“ the other. But if, while one class of pro-
“ ducers were industrious, another chose to
“ be idle, there would be a temporary excess.
“ It is clear, however, that this excess would
“ be occasioned by the *deficient* production of
“ the idle class. It would not be a conse-
“ quence of production being too much, but
“ of its being too little, increased. Increase
“ it more—make the idle class equally pro-
“ ductive with the others, and then it will be
“ able to furnish them with equivalents for
“ their commodities, and the surplus will
“ immediately disappear.”

Now, all this is very much like saying, give me a pair of wings, and then will I soar with the eagle, and emigrate with the swallow : the condition upon which the whole argument is founded, is an impossibility in the present state of society. The productive powers of labour cannot be universally increased, either by an individual producer, or by the aggregate of producers, so long as we continue to act upon the existing commercial principles, without *loss* staring the employers of capital in the face at every step they take. Producers

now are like an ungoverned regiment of soldiers, who are told by the political economists that they are to march in line; but as there is no one to give the word of command, there can be no simultaneous movement, and therefore, the first man who steps forward, breaks the ranks, and his own neck into the bargain. If—if, a due proportion of money makers included, producers were to move on simultaneously, there could be no over-production.

To the universal increase of commodities, having the same relation to each other, *convention* in the employment of capital is an indispensable condition; and by this single word, convention, the whole system contended for in these pages may be described. But, says the economist, is not your convention very much like my wings,—is not this condition also an impossibility? Nothing of the kind: the terms, partnership, convention, and national association, have been used indiscriminately in describing the principle of these pages. It will, however, be found, on examination, that the partnership contended for, is, in the common acceptance of the term, no partnership at all; and that, instead of requiring *more* unity of sentiment than is essential to the present plan of society, it

would require *incomparably less*. The existing commercial system is nothing but an aggregate of petty partnerships, of little miserable bands, fighting against each other, and not unfrequently amongst themselves; whereas the national partnership contended for, would extend no farther than that which now exists between a member of parliament, the post-master general, a custom-house clerk, and a labourer in Portsmouth dock-yard. Like the impulse that conveys us, and the globe that we inhabit, many thousand miles an hour, without our being able to feel that there is any motion, so would this national partnership be *practically* unknown, unperceived, unfelt, otherwise than by its beneficial influence. Every man would be at once his own master and a servant of the commercial state. "Like the different parts of a well constructed engine, the inhabitants of a civilized country" would all be "mutually dependent on, and connected with, each other." *With* "previous concert, and obeying only the powerful and steady impulse of self-interest, they" would "universally conspire to the same great end, and contribute, each in his respective sphere, to furnish the greatest supply of necessities, luxuries, conveniencies, and

“enjoyments.” Every man, in his individual capacity, and in the performance of his respective duties, would be entirely unconnected with every other man—*very much more so*, indeed, than mankind in general are at present; but each would, nevertheless, belong to one grand national assurance company, against all the evils of poverty, of ignorance, and of oppression.

I have thought it necessary to dwell at considerable length upon this subject, because some of the first writers of the day affirm that to be at present, which it is the express object of this book to bring about. Mr Mill, author of *The History of British India*, a name sufficiently great in the literary world to give weight to any opinion connected with this subject, says, in the preface to the second edition of his *Elements of Political Economy*, “I have endeavoured, by new illustrations, “to render more palpable what appears to “me to be demonstration of that most “important doctrine, that the aggregate “demand and supply of a nation are always “equal, that production can never be too rapid “for the market; in other words, that there “never can be a general glut of commodities.” Mr Mill’s arguments are, however, substantially the same as those of Mr M’Culloch,

and I have preferred to grapple with the latter, merely because to do so is in accordance with the plan of this chapter of the present work. Nothing can exceed the confidence with which Mr Mill writes upon this subject ; but he, nevertheless, is wrong, and upon precisely the same grounds as Mr McCulloch. They have both overlooked the fact, that, after goods are produced, they have to be exchanged for a species of money, which is not capable of being increased as rapidly as the aggregate of other commodities. I am not quite sure, however, after all, that Mr Mill means any thing more than this, namely, to use the words of the title to the section, "That which is annually produced is annually consumed." It is at once admitted, that the aggregate supply and demand of a country go together ; but, then, it is the race-horse yoked to the stage-wagon. Production is the race-horse, and demand is the stage-wagon. Production can go no faster than demand : they are linked together ; but the spirit and qualities of the animal are abundantly shewn by those very gluts, with the discussion of which, I fear, the reader's patience is ere this tired. How I would fly over the course, if demand would let me ! says the high mettled racer. Have pity on the poor beast,

then, and give him, in future, a little jockey instead of a stage-wagon to take along with him.

To conclude this subject : " Whenever," says Mr Mill, " any addition takes place in " the quantity of goods, without an addition " to the quantity of money, *the price falls*, " and, of necessity, in the exact proportion " of the addition which has been made. If " this is not clear to every apprehension " already, it may be rendered palpable by " adducing a simple case. Suppose the " market to be a very narrow one,—of bread " solely on the one side, and money on the " other. Suppose that the ordinary state of " the market is a hundred loaves on the one " side, and a hundred shillings on the other : " the price of bread, accordingly, a shilling a " loaf. Suppose, in these circumstances, that " the quantity of loaves is increased to two " hundred, while the money remains the " same, it is obvious, that the price of the " bread must fall one-half, or to sixpence per " loaf." And is not this, I add, an argument or rather a demonstration, sufficient to annihilate the validity of every sentence that has ever been written with the view of attempting to prove that effectual demand depends upon production, seeing that, whenever goods are

produced, they must be exchanged for a species of money, which cannot, by any human contrivance, be increased as rapidly as the *aggregate* of other produce?

Page 194. "Ultimately, therefore, the "introduction of machines cannot fail of "being highly advantageous to the labourer; "and even, when first resorted to, they never "impose on him any other hardship than "that of occasionally forcing him to change "his business. This, however, *is seldom a "very material one.*" Now, really, this does appear to me to be a hardship, of a most material description. In this age of competition, how very few men, not educated to any given employment, are at all capable of competing with those who have! How dexterous must a man become, to be able to compete with his neighbours, and how essential are education and long habit to success in any employment. How does the opinion of Mr M'Culloch, as here stated, that to force a man to change his business is seldom a material hardship, tally with his own opinion, as stated at page 93, of the same book? "A peculiar play of the muscles, or "*sleight-of-hand*, is necessary to perform the "simplest operation in the best and most "expeditious manner; *and this can only be*

“acquired by *habitual and constant practice.*”

“Dr Smith,” continues Mr M'Culloch, “has

“given a striking example, in the case of the

“nail manufacturer, of the *extreme difference*

“between training a workman to the precise

“occupation in which he is to be employed,

“and training him to a similar and closely

“allied occupation. ‘A common smith,’

“says he, ‘who, though accustomed to handle

“the hammer, has never been used to make

“nails, if, upon some particular occasion, he

“is obliged to attempt it, will scarce, I am

“assured, be able to make above two or

“three hundred nails in a day, and those,

“too, very bad ones. A smith who has been

“accustomed to make nails, but whose sole

“or principal business has not been that of

“a nailer, can seldom, with his utmost dili-

“gence, make more than eight hundred or

“a thousand nails in a day. But I have

“seen several boys, under twenty years of

“age, who had never exercised any other

“trade but that of making nails, and who,

“when they exerted themselves, could make,

“each of them, upwards of two thousand

“three hundred nails in a day ;’ or nearly

“three times the number of the smith who

“had been accustomed to make them, but

“ who was not entirely devoted to that particular business !”

What chance would a weaver or a political economist have, in competition with these sleight-of-hand nail makers ? How many times over would a poor wretch, who had spent his previous life in almost any other occupation, be obliged to starve to death, before he could acquire sufficient dexterity to be able to earn his bread by making nails ? The truth is, that for a man to be obliged to change his business, *is* a hardship of an almost overwhelming description ; it is a misfortune which can seldom be recovered in a lifetime ; and although there are some few individuals who possess sufficient versatility of talent to enable them to turn their hands to many things, these are only the exceptions to a very general rule to the contrary. It has been shewn, in a former chapter, in what manner, according to the social notions of policy, as well as of right, this evil ought to be provided against.

Page 209. “ No arbitrary regulation, no act of the legislature, can add any thing to the capital of the country ; it can only force it into artificial channels.” Could not the members of a manufacturing and trading community agree amongst themselves to

save a part of their income? Could they not determine upon, and adopt an "arbitrary regulation," by which this saving might be effected, making it, by mutual consent, binding equally on all? And could not this add to the capital of the country? Assuredly it would; and unless this be done, politicians and political economists may continue to puzzle each other until the day of judgment; but, in the promotion of national prosperity, it will avail nothing.

Page 215. "It appears, from the tables given by M. Messance, in his valuable work on the population of France, that the ravages occasioned by the plague of Mar-seilles, in 1720, were very soon repaired; and that, notwithstanding the diminution of population, the marriages became more numerous, and were also *more fruitful*, immediately after the mortality had subsided."

This tells in favour of the theory of Mr Sadler. The whole theory of superfecundity is built upon the supposition, that there is a *natural* tendency in population to increase at a certain rate, and a *natural* tendency in subsistence to increase at a certain other rate; and, if Mr Malthus had taken half as much pains to discover the *existing checks* upon production and accumulation, as he has to insist upon

the necessity of imposing checks upon the increase of population, the essay on population would never have been quoted as gospel by Mr M'Culloch. "The extreme importance of controlling the principle of population," says Mr M'Culloch, at page 216, "by the influence of moral restraint, may be shewn by comparing the natural ratio of its increase with that of the increase of capital. It has been already seen, that that portion of the accumulated produce or capital of a country which consists of food and clothes, or of the articles directly available to the support of man, forms the only fund from which the inhabitants derive any part of their subsistence: and hence it is plain, that if capital have a tendency to increase faster than population, the condition of society must, generally speaking, become more and more prosperous." The great error of all this is the conclusion that is drawn from it. The necessity of checking population is habitually and incessantly insisted on, whilst it is admitted throughout, that the same effect would be produced by increasing capital. But of the two alternatives we hear nothing: it is of the one only that a word is said. Nature regulates the prolificness of marriages; man possesses the power

of regulating the accumulation of capital ; but the political economists have, in their wisdom, determined, that it is nature, not humanity, that is in error. "There are no means whatever," says Mr M'Culloch, at page 379, "by which the command of the labouring class over the necessities and conveniencies of life can be enlarged, other than by accelerating the increase of capital as compared with population, or by retarding the increase of population as compared with capital ; and every scheme for improving the condition of the labourer which is not bottomed on this principle, or which has not an increase of the ratio of capital to population for its object, must be completely nugatory and ineffectual."

The Social System is bottomed on this principle, and a very little reflection should be sufficient to convince any man, that it is not by endeavouring to counteract the laws of nature, but by accommodating ourselves to them, that nations must be made to prosper. If we cannot swim with the stream of nature, we may rest assured that we cannot swim against it.

The Author of Nature has given to every thing which his power has created, peculiar properties, by a knowledge of, and attention

to, which alone are we able to bring any thing to perfection, or to the approach of it. To the vegetable world he has given its peculiarities, and, in the cultivation thereof, we attend to the diversities of each particular species of plant, never failing to give it, as far as our knowledge and ability enable us to do so, the soil, situation, and temperature that it requires; well knowing that it would be vain and foolish to attempt to make it accommodate itself to any soil, situation, or temperature which we should choose to prefer. Human beings only require to be treated as we treat plants.

Page 383. "No proposition, then, can be more true, than that the unexampled misery of the Irish people is directly owing to the excessive augmentation of their numbers; and nothing can be more perfectly futile, than to expect any real or lasting amendment in their situation until an effectual check has been given to the progress of population." The opinion here stated by Mr M'Culloch is completely refuted by himself; for, at page 491, he says, "Every one, however, who has been in Ireland, or has any acquaintance with that country, must be aware, that agriculture is there at the lowest possible ebb, and that, consi-

“dering the extraordinary natural fertility
“of the soil, a very small advance towards
“a better system of farming would enable
“Ireland to export five or six times the
“quantity of produce she now sends to us.”
And again, at page 492, “On these grounds,
“it would seem that a very great increase in
“the imports of corn and cattle from Ireland
“may be rationally anticipated. Nor should
“it surprise any one, who considers her
“vast capacities of improvement, though we
“become, in a few years, *an exporting people*.”
Can any two things be more completely at
variance with each other than is the first of
these quotations with the second and third?
A real and lasting amendment may be effected
in the situation of the Irish, by removing the
existing checks upon production, exchange,
distribution, and accumulation: by imposing
checks upon population never. The distresses
of Ireland may be removed at any time, and
for ever, and the absentees brought to their
senses rapidly, not by depopulating the
country, nor by repealing the existing union,
but by the formation of a commercial union
upon the principles that are here described;
and it is totally impossible to remove the
distresses of any country by any other means

whatever, than those of causing demand to keep pace with production, run the latter ever so quickly.

Speaking of the providence of the labouring classes of this country, Mr M'Culloch says, at page 409, " In proof of this, we " are referred to the returns obtained under " authority of the House of Commons, which " shew, that, in 1815, there were no fewer " than 925,439 individuals in England and " Wales, being about *one-eleventh* of the then " existing population, members of friendly " societies, formed for the express purpose " of affording protection to the members " during sickness and old age, and enabling " them to subsist without resorting to the " parish funds ; and that the deposits in the " saving's banks amount at present to about " *fourteen millions* sterling ! It is alleged, " that no such unquestionable proofs of the " prevalence of a spirit of providence and " independence can be exhibited in any other " European country." This furnishes pretty strong evidence of what the lower classes of society can do when they set about it : indeed it is certain, from their overwhelming numbers, that they could, of themselves, and without any assistance whatever, put the

principles of the Social System into operation. For, in every state of society, the wages of labour *must* be sufficient to support the toils of labour, and to continue the race of labourers ; and this minimum of reward, or “ natural price of labour,” as the political economists call it, can never be so nicely adjusted, but that the labouring classes may be enabled to save *something* out of their earnings ; and, though a farthing a-week should be fixed as a minimum subscription, it is certain, that, for a great national object, such as is here contended for, so complete a system of voluntary tax might be established amongst themselves, as speedily to realize a sum sufficient to start the Social System ; and, once fairly on its legs, it would be easier to check the tides than to retard its progress. An enlightened multitude, seeking to improve their condition by the legitimate means of honest industry, would soon become the most irresistible power upon the earth.

Page 445. “ But in no case does rent
“ enter into price ; for the produce raised
“ on the poorest lands, or by means of the
“ capital last applied to the cultivation of the
“ soil, regulates the price of all the rest ; and
“ this produce yields no surplus above the
“ common and average rate of profit.” Surely

this must be a mistake. The theory of rent, as laid down by Mr M'Culloch, is, that it (rent) consists of the difference between the produce of any given quantity of capital and labour expended upon rich and comparatively poor lands. Thus, for example, if land of the

First quality produce	100	} Bushels of corn, the rent of the land will be the value of	} 50 bushels of corn.
Second do.	90		
Third do.	80		
Fourth do.	70		
Fifth do.	60		
Sixth do.	50		
			40 do.
			30 do.
			20 do.
			10 do.
			0 do.

That is, provided that there be any considerable quantity of land of the sixth quality in a state of cultivation; for the cost of producing the corn from the sixth, or poorest quality of land, will regulate the *price* of corn in the market; and therefore, although the cultivators of superior lands should pay no rent whatever, the price of corn would still be the same, for they would then pocket the difference, which is now received by the land proprietors. This theory of rent appears to be completely established; and at page 442 Mr M'Culloch says, "This analysis of the nature and causes of rent, discovers an important and fundamental distinction

“ between agricultural and commercial and
“ manufacturing industry. In manufactures,
“ the worst machinery is first set in motion,
“ and every day its powers are improved by
“ new inventions, and it is rendered capable
“ of yielding a greater amount of produce
“ with the same expense ; and as no limits
“ can be assigned to the quantity of improved
“ machinery that may be introduced,—as a
“ million of steam-engines may be constructed
“ for the same, or rather for a less, propor-
“ tional expense than would be required for
“ the construction of one, — competition
“ never fails of reducing the price of manu-
“ factured commodities to the sum for which
“ they may be produced according to the
“ least expensive method. In agriculture,
“ on the contrary, the best machines, that is,
“ the *best soils*, are brought first into use, and
“ recourse is afterwards had to inferior soils,
“ which require greater expenditure to make
“ them yield the same supplies.”

Thus it appears, that, whilst the market price of commodities is regulated by the *cheapest* method of producing them, in all cases wherein unlimited quantities can be produced at the same comparative expense, it is regulated by the *dearest* method of producing them in all cases wherein additional

quantities can only be produced at a comparatively greater expense. If, for example, to spin a given quantity of cotton by machinery should cost a shilling, and to spin it by the hand ten shillings, the market price of spinning the cotton would be ten shillings, provided that the existing machines should be incapable of spinning all the cotton for which there should be an effectual demand; and the machine proprietors would therefore be enabled to obtain a profit of nine shillings on every such quantity of cotton spun by them over and above the ordinary rate of profit obtained by their hand competitors.

But this does not prove that "in no case does rent enter into price." For cotton read corn, and say that, under the most favourable circumstances, its *cost* in labour, capital, and the average rate of profit, be a shilling; but if we follow it into the market we find the *price* demanded for it to be ten shillings, what, in the name of political economy, is it then which adds nine shillings to its price, if it be not *rent*?

There appears to be no doubt that the price of corn in the market will continue to be unaffected by the payment of rent to landlords, so long as we continue to act upon the existing principles of commerce, because if the

landlords did not take rent, the tenants would, and would be able to take it, provided that the existing restrictions upon the importation of corn should be continued. But this would not be the case if the corn lands of the country were to become a part of a national capital, to be employed in the manner that has been here described ; for all the land worth cultivating would be cultivated ; the *whole produce* would be divided by the *whole cost of production* ; the extra cost of cultivating inferior land, in proportion to the result obtained therefrom, would be equally divided amongst every eater of bread in the kingdom, and the price of corn would be lower than it is now by the whole amount of rent that is annually paid for permission to cultivate the land on which it is grown. The variations in the quality of land are the instrument of power—the act of Circumstantial Parliament—by which the people are now taxed to a most enormous amount. Let the government of this country assist its people in putting into operation a plan of exchange, by which they may be freed from all those taxes which are imposed upon them by the force of circumstances, and a complaint against the amount of the government taxes will never again be uttered by the tongue of man. “ Much discussion,” says Mr M'Culloch,

at page 468, "has taken place as to the proper size of farms. This, however, is not a point as to which it is possible to come to any very precise conclusions." I do not think so. The precise size of a farm should be the whole quantity of land in England, Scotland, and Ireland, that is devoted to the production of marketable commodities ; and the precise number of farmers should be the number that may be sufficient to cultivate the land in the best manner, and with the least sufficient expense of superintendence and management. And if the charge of radicalism be brought against me for making this observation, I plead—Not Guilty. I would not have a single acre of land converted into national property by any violent proceeding, or by any unconstitutional or dishonourable act. I merely say this,—Let a commercial society be formed upon certain principles ; let the society act upon the said principles, and it *must* become rich ; and, being rich, whenever there is any land to sell at a fair price, let the society *buy* it. I merely contend, that the labouring classes of society should continue to be allowed to do that which they and every other class are allowed to do, by the law of the country, as it at present stands. ¶

Much of Mr M'Culloch's work, that has

been unnoticed here, is devoted to an explanation of the existing state of things ; and, save one which has been already quoted, the foregoing is the last extract which will here be given from it ; and however much I may differ from this author in many particulars, I should be wanting in candour if I did not acknowledge myself greatly indebted to "*The Principles of Political Economy*" for a clear view of many subjects with which I was previously but ill acquainted. The doctrines therein taught are, however, very different in some particulars from those of the Social System : under the one set of principles, production must ever remain the effect of demand, whilst under the other, it would become the cause of it ; and that is the better system of the two which is most in accordance with Mr M'Culloch's own definition of our mutual object, " The Economist is not to frame systems and " devise schemes for increasing the wealth " and enjoyments of particular classes, but to " apply himself to discover the sources of " national wealth and universal prosperity."

CHAPTER XII.

Taxation—General observations upon the effect of taxation, with reference to the present system of Commerce—Increased production the effect of large sums of money being borrowed and expended by the Government—Under the Social System taxes would be an evil exactly proportionate to their amount.

A NATION, like an individual, can afford to pay taxes more or less, as its income is great or small. All the arguments against taxation are founded upon the supposition, that, by at least so much as government shall cease to take from us, we shall become the richer ; but before we can be assured that this conclusion is logical, one of two propositions must be established, namely,—that the national income, that is, the annual produce of the labour of the people, is of a fixed quantity, or value ; or else, that to reduce the taxes would have the effect rather of increasing than of diminishing the national income.

The reduction or abolition of the tax on a particular commodity, is sometimes found to

have the effect of increasing the consumption thereof to a great extent ; and at first view this looks very much like proof that the annual produce of the country is increased in proportion as the taxes are diminished. It is no proof, however, of any such thing : it proves this, and this only, that, in disposing of their incomes, that is, in spending their money, mankind are governed by the desire of obtaining for them whatever they consider to be most calculated to promote their advantage and satisfaction ; and as all things are produced with the view of meeting the known wants and wishes of society, every commodity falls into its respective station in the scale of supply, according to the degree in which it possesses the two qualities of desirableness and cheapness ; for those things are always most in demand, which are most desired, and most easily obtained. For example,—

SCALE OF DEMAND.

First necessities,	.	.	1
Moderate comforts,	.	.	2
Ample provision,	.	.	3
Affluence,	.	.	4
Luxury,	.	.	5
Profusion,	.	.	6

Now, it is evident that demand will always be the greatest for the lowest numbers in the foregoing scale, because, while only a few persons, comparatively speaking, can be consumers of the sixth class, all, both rich and poor, must of necessity be consumers of the first. If, therefore, we take any article, the present price of which causes it to come under the denomination of *six*, and by reducing its price alter it to the character of *three*, it is certain that the demand for it will be enormously increased.

But this does not prove, nor does it form a particle of evidence, that if, instead of *removing* number 6 to number 3, numbers 1, 2, 3, 4, 5, and 6, each retaining its respective place, should *all* be reduced in money price, an increase of production would take place in any thing like the ratio before spoken of. On the contrary, it would be a change in name rather than in reality, and the annual produce of the country being regulated by totally different principles, would not, with any certainty, be increased to the amount of a single grain.

Taxation has the effect of raising the money price of commodities ; but who is benefited by *low* prices ? Not the labourer ; for whilst two men are employed, and two unemployed

are seeking for employment, the two former will be compelled by competition to accept whatever remuneration is offered them above the parish allowance. Not the tradesman; for whilst there are more goods to sell than there are customers to buy them, the profits of trade will be sure to decrease as fast as prices can possibly fall; and if, with a stentorian voice, loud enough to be heard from one extremity of the kingdom to the other, a man were to demand of the trading classes, "What, without any exception, is the greatest evil you have had to contend with of late years?" in some very extensive trades they would answer him, with one consent, and without so much as a single dissentient voice, "*A falling market*; owing to which it has uniformly happened, that the goods we buy to-day, at as low a price as money, judgment, and a thorough knowledge of the markets can ensure, are worth still less three months hence; and thus, if we keep a sufficient stock on hand to give our customers the advantage of selecting from an extensive variety, we may lay our account for a certain annual loss of a few hundred pounds, as the unavoidable consequence of depreciation in the value of our stock." A few years previous to this period, precisely

the reverse took place ; manufactured stock was continually rising in price, and then anterior purchases had as regularly to be marked *up* to the new standard, as they had afterwards to be marked *down* to it. Thus have money makers, and money managers, the gods of the commercial world, continued to hold in their own hands the issues of commercial life and death.

The higher classes are, no doubt, benefited by low prices, whenever they can get the rents agreed for twenty years ago, and in all cases where they have fixed money incomes well secured.

The radicals, and some other political quacks, call it a libel on common sense, even to start the question, whether the taxes are now beneficial or injurious ; but these gentlemen are easily answered, for most of them are abuses of machinery, and in that character they are themselves the advocates of taxation and extravagance. The contemptuous sneer with which a man is sometimes treated by his radical friends, if he happen to have any, for presuming to doubt whether taxes are at present an evil or a good, goes but a very little way towards proving that they are the former ; and whoever asserts that there is no doubt about the matter in the mind of any rational

man, tells us by the same language, that his opinion is not the result of a deliberate and unprejudiced inquiry into the subject. It *may* be with a diseased commercial society, as it often undoubtedly *is* with a diseased member of it, that evil produces good. The administration of a violent, and even dangerous, medicine, itself an undoubted evil, is in many cases beneficial; and if to tax an irrational and ill-constructed commercial society, have the effect of calling into operation its dormant productive powers, taxation does no more harm than would be committed by horsewhipping a lazy but powerful vagabond, who could not be got to exert himself by any more gentle method.

That the productive resources of this country are not in full operation now, none but the veriest political bigot will deny. There are three natural limits to production: the exhaustion of our industry, the exhaustion of our productive powers, and the satisfaction of our wants. But to none of these limits has the productive power of society advanced at present: the existing limit to production, then, be it what it may, is an artificial one. I believe it is this: We produce as much as, in the aggregate, we can sell for more money than it costs; and this quantity is, I think,

regulated by the comparative scarcity of goods and money. Goods appear to me to have, in the present state of society, the same relation to money that the mercury in the thermometer has to the temperature of the atmosphere ; they expand with the heat of an abundant, and contract with the frigidity of a deficient, circulating medium.

If the whole productive powers of a country were in ordinary operation, it would be quite impossible for an immense increase of production to be always consequent upon the issue of a profusion of bank notes. The circulating of bank notes creates a demand for produce ; it does no more ; it is quite evident, from the nature of the instrument itself, that it can do no more.

Again, if the productive powers of labour were always in full operation, the borrowing and spending of large sums of money could have no other effect than to *withdraw*, from the mass of the population, an immense proportion of those necessities and comforts of life which they would otherwise have possessed. If, for example, the products of the country are at ten, and the government spends borrowed money in the purchase of those products to the amount of five, there are left but five for the consumption of the

people not under the pay of government. The times, therefore, when the national debt was most rapidly contracting, should have been desperately bad : it happens, however, rather unfortunately for the opinions of those who believe that effective demand depends *now* upon production, that they were just the reverse. It was during the year 1813 that the public debt was most rapidly increased ; no less a sum than sixty-four millions was then borrowed ; and what followed ? Why, it must be within the remembrance of almost every commercial man, that prosperity never was so general, at least in his day. The spending, however, of all this money did not create wealth, it created only a demand for it : the productive powers of labour obeyed the call ; and wealth in abundance came at the bidding of the money that was ready to be given in exchange for it.

It is only the radicals, however, who fancy that, to get forthwith into a commercial heaven, we have merely to get rid of the taxes ; for, if we refer to the opinions of those persons who have been led to think seriously upon the subject, for the purpose of committing their opinions to paper in a systematic form, we find no such disposition to lay evil by wholesale to the charge of taxation and

the public debt. "To those," says Mr Colquhoun, "who may entertain an opinion, "that the nation has been saved, under all "the difficulties and perils it has had to "encounter, by the exertions of industry and "ingenuity of the people, some surprise "may be excited by the assertion, that the "domestic debt, and its progressive increase, "have had the chief merit in producing what "may be considered as a political phenomenon,—the rapid increase of public and "private buildings, trade, commerce, navigation, and manufactures of the country, under "the accumulated and increasing weight of "an immense public debt. Like seed sown "in the ground, the vast sums expended gave "birth to additional industry and ingenuity, "which, in various branches, have been found "to re-produce many fold."

"The government," says Mr Malthus, "during the last twenty-five years, has shewn "no very great love either of peace or "liberty, and no particular economy in the "use of the national resources. It has proceeded in a very straight-forward manner "to spend great sums in war, and to raise "them by very heavy taxes. It has, no doubt, "done its part towards the dilapidation of "the national resources. But still the broad

“ fact must stare every impartial observer in
“ the face, that at the end of the war in 1814,
“ the national resources were not dilapidated;
“ and that, not only were the wealth and
“ population considerably greater than they
“ were at the commencement of the war, but
“ that they had increased in the interval at a
“ more rapid rate than was ever experienced
“ before. Perhaps this may justly be con-
“ sidered as one of the most extraordinary
“ facts in history.”

The cause of the facts here stated appears to me to be perfectly plain. The expenditure of immense sums of borrowed money during the war, created a demand for labour, in other words, called into operation those resources which the country then possessed, and still possesses. The forced demand for produce, so brought about, made trade brisk; ample employment was furnished for the existing capital; capital itself is formed out of profit, and profit was then at a very high rate. Capital, therefore, accumulated rapidly, and, as Mr Malthus observes, the national resources, instead of being dilapidated, were increased during the war, at a more rapid rate than ever was experienced before. Some, indeed, attempt to make it out, that, by a species of magical process, we spent by antici-

pation; but the supposition is quite erroneous, for the debt is almost entirely owing to ourselves; a little more than seventeen millions and a half, is all I believe that is owing to other countries.

What was in reality spent during the war? It was not capital, for that never before accumulated at half so rapid a rate. It was the produce of the labour of the people—food, clothes, swords, muskets, ammunition, accoutrements, which were made in consequence of the demand which then existed for them, which, in the absence of that demand, would never have existed at all, and which, if occasion should require, we could produce again as rapidly, and with as little inconvenience as ever. Had the true principle of supply and demand,* however, been understood, the national debt would never have existed; for the people, who, by their labour and capital, could meet the enormous demand created by the spending of borrowed money, could have met that demand *precisely as easily*, had it been made upon them in the shape of an equal per centage upon the produce of their industry.

I have been induced to confine my observations upon this subject to mere general remarks—to play about the gate of the

labyrinth, rather than enter it—because I have only in view the endeavour to fix attention to the *great principle* of these pages. Let the advocates of things as they are, solve their own riddles, and explain their own mysteries, as best they can ; and verily I do not think that they can pitch upon a more difficult problem to solve satisfactorily than the absolute effect of taxation in the present state of society : there are so many pros and cons, so many ifs and buts, that I question whether George Bidder himself could make it out.

With reference to the principles of the Social System, there is no such difficulty ; for the productive powers of labour being at all times in full operation, taxes would be an evil exactly proportionate to their amount. The strength of the giant being always exerted, whatever portion of it should be demanded for the service of the state, must of necessity be so much lost to himself.

CHAPTER XIII.

The public debt—Preliminary considerations—Comparison between the public and a private debt—Estimated amount of property in the British empire—Summary view of the progressive increase of the national debt, from the period of the revolution to 1st February, 1813.

THE public debt is the public witch, on whose devoted head the politically superstitious are for ever heaping the opprobrium of all their misfortunes, difficulties, and troubles. If an individual be in debt, and wishes to get out of it, he has to consider the amount of his debt, the amount of his income, and how long a time it will require to pay off the former, by laying aside a portion of the latter for that purpose. There is, however, an important preliminary to consider, namely, the possibility of reducing expenditure. If, for instance, a man be in debt £100, and his annual income be but £100, and the expenditure of £100 be necessary to the support of existence, it is certain that unless that man

can increase his income, he can neither pay off his debt, nor a single shilling of it, so long as he continues to live ; but if his debt be £100, his income £100, and the necessaries of life but £90, it follows, that in the space of ten years he may relieve himself of the burden. In considering, therefore, the possibility of reducing or paying off the national debt, this distinction should be constantly kept in view.

The present amount of the national debt is, in round numbers, about eight hundred millions ; and, according to Mr Colquhoun, the annual income of the country is about four hundred and thirty millions ; by appropriating a tenth part of our present income to the purpose, it would therefore require about twenty years to pay off the debt entirely.

The first thing, however, to be determined is the value of the money which the national creditor ought to accept in liquidation of his claims, which value has been particularly defined in the chapter of this work entitled Distribution. Perhaps there would be no great hardship in imposing a pretty heavy per centage upon the produce of the country, for the purpose of repaying the national creditors, because, upon the principles of the

Social System, it would tell two ways; and it would merely require us to work a little harder than would otherwise be necessary. The more we should work, the more wealth and money too should we create, *which money would be as valuable as that which the national creditor lent*. Thus, at the expiration of every year, a few millions might be handed over to the national creditors, who, in all human probability, would hand them back again, to be converted into lands and buildings, and other national capital, for which they would receive ample remuneration, under the provision of the first article of national charges, as mentioned at page 108.

A question arises, *Could we afford to pay off a large sum annually, say twenty millions or so?* And I think it is answered by the well known fact, that our present difficulties arise chiefly from our being able to create wealth so easily and so rapidly, that nobody can be found to buy it fast enough. This *evil* the Social System would most effectually cure; for, upon the principles here laid down, demand must ever keep pace with production.

Dismiss the millions, both in the case of the income and the debt: thus, debt £800;

income £400. Now, really it would not appear to be a thing absolutely impossible for a man to get out of debt in the course of years, who owes £800, and whose annual income is £400; and whenever this nation shall be blessed with a free and unrestrained system of exchange, it will be just as easy for it to pay off its debt of eight hundred millions, as it would be for the supposed individual to pay off his debt of £800, both being required to save a portion of their income for the purpose, and both being well able to afford to do so.

At page 60 of the second edition of his book, Mr Colquhoun estimates the *property* of the British empire at £4,096,530,895, and in the following manner, the particulars being previously given much more fully:—

ESTIMATED AMOUNT OF PROPERTY IN THE
BRITISH EMPIRE.

EUROPE. —Great Britain and			
Ireland, including the navy,	£2,736,640,000		
Dependencies,	22,161,330		
			£2,758,801,330
AMERICA. —British Possessions			
in North America,	£46,575,360		
British West India Colonies,	100,014,864		
Conquered West India Colo-			
nies,	75,220,000		
			221,810,224
AFRICA. —British Settlements,			
	£550,400		
Conquered idem,	4,220,100		
			4,770,500
ASIA. —British Colonies and			
Dependencies,	£11,280,000		
Conquered idem, idem	27,441,090		
			£38,721,090
TERRITORIAL. —Possessions			
under the management of			
the East India Company,	1,072,427,751		
			1,111,148,841
	Total,		£4,096,530,895

If, therefore, with reference to the public debt, we look at the property of the empire instead of at its income—the income spoken of, by the way, is only that of Great Britain and Ireland, that of the colonies not being included—we find that it does not amount to a fifth of the whole ; so that, if the nation

were to be made bankrupt, it could pay above a hundred shillings in the pound. The property of an empire cannot, it is true, be sold off like a bankrupt estate ; but this does not make the property itself of less value. If Mr Colquhoun has estimated the property of the empire at what it is worth in small portions, the aggregate is not intrinsically of less value because it is not possible to sell it. Its value, so far as relates to the subject we are now considering, should be estimated by the value of its individual parts, in money of the same value as that which the national creditors lent, and not by the number of golden guineas that it would now sell for by public competition to its own inhabitants, in which case it is quite clear, that the whole property could only sell for that portion of itself which is denominated gold.

It would be absurd to reason from Mr Colquhoun's estimates as from established facts, because an approximation to the truth is all that he professes to give. They serve the purpose, however, of giving general views, and enable us to form some notion of the aggregate circumstances of the country. Mr Colquhoun himself says of his estimates, that it is a principle throughout to steer clear of exaggeration.

This view of the subject, however, is far less important than that with reference to the income, because it is from the income, and not from the property, of the country that the debt must be paid, if ever it be paid at all. Now, the income of Great Britain and Ireland, Mr Colquhoun estimates at four hundred and thirty millions, and, in so doing, it is not improbable that he is greatly within the mark. For the present annual amount of the taxes is about forty-five millions, which sum is entirely expended in paying the government dependants and the interest of the public debt. Forty-five is, in round numbers, about a tenth of four hundred and thirty. Now, it certainly does not appear, that, their incomes being averaged, more than a tenth part of the population of this country is living upon money derived from the public funds, or from government in any shape. There is good reason for believing, therefore, that the total income of this country is not *less* than four hundred and thirty millions.

The analogy between the case of the supposed individual and that of the public, fails, however, in one particular, the latter being already taxed to the amount of a ninth part of its estimated income. But this is a mere bagatelle, scarcely worth taking into the

account ; because another omission of much greater—perhaps many times greater—magnitude has to be set against it ; namely, the power we possess of increasing the income itself to an almost indefinite amount, by making production become the cause of demand.

The mind of man has a great antipathy to the confession of its own ignorance, even to itself. The difficulties of this nation must, therefore, be attributed to something ; and because it has not been generally perceived that they are entirely owing to commercial impolicy, the public debt has formed a very convenient resting place for public credulity ; in the face, however, of the fact, that the country thus burdened has continued to prosper in, at least, an equal degree with others that have no such pretext for their troubles.

The following brief statistical history of the national debt, extracted from Mr Colquhoun's valuable work, cannot fail to interest the political reader. If effective demand depends now upon production, what a riddle is presented in the following document ? If, on the contrary, production depends upon effective demand, and if effective demand may be *made to depend* upon production, what is to prevent us from paying off the debt as rapidly as it was contracted ?

SUMMARY VIEW OF THE NATIONAL DEBT, FROM
THE PERIOD OF THE REVOLUTION TO
FEBRUARY 1, 1813.

National Debt at the Revolution,	£ 664,263
Increase during the reign of King William,	15,730,439
Debt at the accession of Queen Anne,	£ 16,394,702
Increase during the reign of Queen Anne,	37,750,661
Debt at the accession of George I.	£ 54,145,363
Decrease during the reign of George I.	2,053,128
Debt at the accession of George II.	£ 52,092,235
Decrease during the peace,	5,137,612
Debt at the commencement of the Spanish war, 1739,	£ 46,954,623
Increase during the war,	31,338,689
Debt at the end of the Spanish war, 1748,	£ 78,293,312
Decrease during the peace,	3,721,472
Debt at the commencement of the war, 1755,	£ 74,571,840
Increase during the war,	72,111,004
Debt at the conclusion of the peace, 1762,	£ 146,682,844
Decrease during the peace,	10,739,798
Debt at the commencement of the American war, 1776,	£ 135,943,051
Increase during the war,	102,541,819
Debt at the conclusion of the American war, 1783,	£ 238,484,870
Decrease during the peace,	4,751,261
Debt at commencement of the French revolutionary war, 1793,	£ 233,733,609
Increase during the war,	327,469,665
Debt at conclusion of the French revolutionary war, 1801,	£ 561,203,274
Increase during the peace,	40,207,806
Debt at the commencement of the French war, 1803,	£ 601,411,080
Increase during the war,	341,784,871
Total funded and unfunded debt on 1st February, 1813,	£ 943,195,951
Deduct,—	
Redeemed by sinking funds,	£ 210,461,356
Land ~~tax~~ redeemed,	24,378,804
Converted into life annuities, and transferred to commissioners for reduction of the National Debt,	1,961,582
	236,801,742
Net National Debt on the 1st February, 1813,	£ 706,394,209

CHAPTER XIV.

Plan of Commencement—Influence of the public press—Parliament should institute an inquiry into the causes of existing troubles, and into the character of the various remedies that have been proposed for the relief of distress—Progressive steps necessary to the formation of a National Commercial Association.

IF, then, it be true that there exists, in the shape of a defective system of exchange, an insuperable obstacle to national and individual prosperity—insuperable only until our commercial plan is entirely remodelled—we ought immediately to commence making the necessary changes. The most powerful engine in the world is the Public Press ; taken up by which, and treated with its usual freedom, the subject here discussed may be brought fairly before the public : which being done as a preliminary proceeding, the following progressive steps should then be taken to bring this system into practical existence.

Let some influential member of parliament obtain the appointment of a committee to inquire into the state of the country, and to investigate the character of the various remedies that have been proposed for the evils of society : the Social System would then, it is presumed, obtain a hearing in its turn.

If the said committee, acting in the capacity of a grand jury, should pronounce the principle of exchange here contended for to be worthy of a minute investigation, then let a select committee be appointed for that express purpose, and let its members, amongst other things, express a desire to be put in possession of all the arguments that may be brought against the plan. These being collected, let a competent person be appointed to reduce the whole of them into one continuous argument, in a clear, concise, and intelligible form.

Then let the author of the Social System, *who now challenges this ordeal, and denies that it is in the power of man to detect an important error either in the theory he has advanced, or in the conclusions that he has drawn from it,* be required to answer the said objections, and the arguments on both sides being duly weighed and carefully considered, let an

opinion of the merits and demerits of the Social System be publicly expressed by the committee.

Should the severe scrutiny, which is here requested for the proposed principle of exchange, have the effect of establishing its importance in the mind of the public, a nucleus of the national commercial association may then be formed by any number of private individuals, whose first business should be to follow the principles of the Social System into all their various ramifications of trade and manufacture, by drawing up a prospectus, at great length, descriptive of the manner in which each and every kind of business would require to be modified, arranged, and conducted.

Then let the detailed plan be laid before the public, and let all persons of capital be invited to associate: names being required, in the first instance, of persons disposed to adopt the new principle of exchange; each applicant being also required to describe the nature of his business, the amount of capital he would be willing to advance for an equitable remuneration, as also the nature of the capital itself, whether it be land, buildings, machinery, goods, or money.

If, after a reasonable effort should have

been made to obtain subscribers to the plan, a sufficient capital should appear to be ready to be embarked in the service of the new commercial army, the next step would be to elect a Chamber of Commerce.

The Chamber of Commerce being elected, must proceed to examine and arrange the various proposals, so as to ascertain how nearly they could form, at the beginning, a *whole* manufacturing and trading community; and when the number of persons, and amount of capital, should appear to be sufficient to commence with, the government should be petitioned for a constitution, and agreed with upon the price to be paid as the average wages of labour,—the paramount importance of which has been shewn in the Chapter on Distribution.

These preliminaries being settled, the Chamber must next proceed to take inventories of, and to give credit in the national books for, all the capital offered to them, at a rate per cent, to be previously agreed to be paid for the use of capital; and this being done, agents must be appointed to conduct the respective trades and manufactures. Each agent should be furnished with an inventory of the capital intrusted to him, with which he would, in consequence, be debited in the

bank books. Proprietors of capital, possessing also the requisite knowledge, should in all convenient cases be appointed to the agencies.

A bank and warehouses would next require to be established upon the plan described, and operatives being engaged by the agents in the usual way, at the wages fixed by the Chamber of Commerce, operations might forthwith commence.

The new plan of exchange being once fairly in existence, and placed under the control of thoroughly experienced and practical men of business, the irresistible nature of the principle would soon be exhibited, and the total impossibility of competing with it would soon be universally acknowledged. As fast as the associated capital should increase, either by the acquisition of new associates, or by accumulation, additional persons would be called into operation under its auspices, and the market of old society would daily become more and more restricted.

But even so slow a process as is here contemplated would not be very probable, for if the plan should be taken up in the proper quarter—I mean by the government—and a formal declaration issued, that the new principle of exchange would be encouraged, and assisted, if needful, with a few millions, the

manufacturing and agricultural interests, ever keen enough in the examination of what concerns their individual selves, and seeing, as they would, the total impossibility of resisting the torrent, would, for the most part, throw themselves into it, whilst those that should remain would very speedily discover, that the home market was rapidly closing in upon them, like the "iron shroud" described in Blackwood's Magazine, which, being a tolerably spacious prison on the day of its victim's entrance, gradually diminished in height, in length, and width, until, upon the seventh day, it closed upon the body of its prisoner, and extinguished him from the light of day for ever.

The only thing that can possibly defeat, even for a time, the principle of exchange here described, is an ill-digested, hasty, and imperfect trial: nothing in this world, of a commercial character, can succeed, unless it be rightly set about.

CHAPTER XV.

Concluding address—If we continue to suffer from the existing commercial errors of society, it is our own fault.

THE name of England is great and glorious among the nations of the earth ; in war it has been feared, in peace it has been envied ; in England the arts have flourished, and science has progressed with great and rapid strides ; her trade has been the wonder of surrounding nations, and her commerce has extended itself to the utmost corners of the earth ; yet are her people poor, distracted, and unhappy.

Her governors are overwhelmed with perplexity, and easier is his task who undertakes to steer the frailest bark through raging waters, than the task of him who ventures to direct the helm of state.

Her nobility, themselves a portion of the troubled stream, are racked with anxious cares and fears, alike about the present and the future. Their rents unattainable, their fortunes falling into decay ; their property

depreciating, and their wonted splendour and magnificence almost bankrupt.

Her clergy, anxious to perform the duties that devolve upon them,—struggling to stay the torrent of depravity, and vice, and crime, which it is their especial office to oppose,—are borne down, like straws upon the water's surface, by the irresistible force and violence of the polluted stream, ever increasing in magnitude, and daily becoming an object of still greater dread and apprehension.

Her middle classes, ever the dreamers of peace and plenty, whilst the ill-omened star of war formed yet the resting place of their credulity, know of enjoyment little but the name; and scarcely more secure of future comfort and prosperity than is the weathercock of pointing to the south upon a given day and hour in next December, they still drag on, from day to day, a weary round of care, of trouble, and of anxiety, better deserving to be called the penalty of living than the price of life.

Her labouring classes have been enlightened, by the spread of education, only to see the horror of the dungeon in which they are confined, and to feel, with more acuteness, the depth of the privation and misery into which they think themselves inextricably plunged.

Ireland, unhappy Ireland ! ever the last word in the tale of human misery and woe, like the expiring wretch upon the rack, still calls for our compassion and our aid ; but there is no help, worthy of the name, for Ireland.

England has only to be made acquainted with the immensity of her own strength, to spring, as it were, in an instant from the very depths of poverty and wretchedness, into the heights of prosperity and commercial happiness. All she requires is to let loose her enormous powers of production, which are now tied and bound down by the chain of commercial error. Like a mighty engine wanting a single wheel, she now stands still, the wonderment of those, who, ignorant of her construction, are not aware that any wheel is wanting ; but re-arrange her parts, and give her that one wheel, and nations shall awaken, as from the sleep of death, to see her operate and to erect her counterpart.

Freedom, *domestic* freedom of exchange, is what this nation chiefly wants, to make its people prosperous and happy. No miracle on human nature has to be performed, to bring this plan of exchange into operation ; no inventive genius has to be sought for, to perfect its construction, for ten thousand

models of it now exist. Apply that principle to the *whole* that has ever been found indispensable to the right working of *every part* of man's affairs, and the thing is done.

Unity of action, as here proposed, is not dependent upon individual unity of thought or sentiment ; and it is not a little remarkable, that although this principle is acted upon in every part of the world ; although its value is such, that almost nothing can be done without it in the individual affairs of mankind ; yet, from the movements of the prodigious whole, it is entirely excluded. Division of labour, and unity of action, have been contemporaneous. No manufacturing business could be conducted for a single hour in the absence of this principle. Suppose a number of men to be sent into a manufactory to work at random, and without an overseer, at whatever operation each might fancy he could perform ; a failure in the desired object would be the inevitable result ; the men might be able and industrious enough individually, but, for want of a controlling power, they would, in the aggregate, do almost nothing but impede and annoy each other. In practice, however, this is not the case. Operatives proceed to a manufactory, and possibly quarrel as they walk the street

towards it ; but once within its walls, they conform to the regulations of the establishment, each man takes his place, and men, between whom the excess of personal enmity may perhaps exist, immediately act in concert, and for a beneficial purpose.

The post office, one of the best conducted establishments in the kingdom, and probably the only one in it, of a commercial character, that is worth preserving, is conducted upon the same principle. Here an immense number of agents, clerks, porters, sorters, distributors, coachmen, guards, horses and carriages, widely dispersed over the united kingdom, are all regulated in such a manner as to work into each other's hands.

And, if we look upon the stupendous whole, of which we form a part, the same principle of unity becomes still more remarkable. Order, system, regularity, an aptitude of one thing for another, and an uniformity of action so invariable, that astronomy can foretell events a century before they happen, are the most strikingly conspicuous of nature's laws ; and there is nothing amongst mankind in which the resemblance of excellence exists which violates them ; but whilst contrivance, arrangement, plan, are indispensably necessary to every part, *the aggregate of parts* is

left to work, as best it can, ungoverned : and thus, whilst God requires arrangement and a plan to govern worlds, presumptuous man sets at defiance his Maker's laws, and tells the paltry objects of *his* care to rule themselves.

Let us then cease to persevere in our worse than insane course : let an inquiry be instituted into the causes of human trouble, by those who are so much interested in the welfare of mankind, and on whose shoulders so much responsibility devolves,—the British Government. Let its members look carefully and dispassionately into the principle laid down in this little book, and if it should be seen that a clue is furnished to the labyrinth, let them not refuse to use it because it has been given to them by one who has neither rank, nor wealth, nor name, to give weight to his opinions. Let them pick up sound advice wherever they can find it, as they would a pearl upon the sands of the sea, caring not to ask from whence it came, but looking rather at its value, and at the best means of disposing of it : and if, though rough and unpolished, this little treatise should be found to contain a jewel, let not the setting of it be unduly delayed : these are momentous times !

- And let the middle classes, whose per-

severance in a bad cause merits a better reward than that which it obtains, halt, if it be but for a short time, to take a passing glance at a new object that would fain attract and fix their attention, if it knew how. To them, the trading classes, in active communication with whom the author of the Social System has entirely spent his life, the language of the foregoing pages should be especially intelligible, for few of them will hesitate to believe that it is much easier *now* to procure goods, than to procure customers to buy them. Let them think deeply upon the principle of exchange that is here explained, and let each ask himself as an individual, whether he would not prefer becoming an agent to the British nation, responsible only to an elected power for his proceedings, on receiving a fixed, a certain, and a liberal remuneration for the performance of a plain, an easy, and an honourable duty, to remaining the never-ending slave of caprice, uncertainty, incessant toil, and interminable anxiety.

And let the labouring classes think of these things. "Knowledge is power." Let them turn a deaf ear to the absurd quackeries of radicalism ; let them follow, with persevering steps, and unwearied attention, the windings

of that stream of wealth which rises directly from their own labours ; let them mark well where it flows on smoothly, and where it is obstructed in its progress ; and let them satisfy their minds *why*, with a never-failing spring for its source, there should be so great a scarcity at its termination.

Finally, Let the mind of the public be but once intently fixed upon the all-important subject of *exchange*, and we may rest assured, that the day is fast approaching when the sun of truth shall shed his rays among those countless thousands who endure their chains with patience now, because they know not whence they come, nor how they may be free, —and because, as all exist in bondage, each in his brother sees a fellow slave, and cries, Alas ! it is the lot of man. But shew them freedom —give them but a sight of what they may become —tell them prosperity should be the lot of every man, and prove it truly said —they will no longer live in slavery, nor bear their chains at all.

APPENDIX.

APPENDIX.

The theory of the Social System is the result entirely of observation and reflection — The Orbiston Co-operative Establishment — Quotation from *A Word of Advice* to its projectors — Observations upon the character of the late Mr Abram Combe — A memoir of him quoted — Origin of *The North British Advertiser*, a weekly newspaper, published in Scotland, containing only advertisements — Plan of Mr Robert Owen of New Lanark — Conclusion of the appendix, and of the work.

SINCE the foregoing work was entirely ready for the press, I have resolved to add an appendix to it, for the purpose of bestowing a few words upon the co-operative establishment, recently erected, and razed to the ground, at Orbiston, in Lanarkshire; as also upon the co-operative plan of Mr Robert Owen, of New Lanark.

To perform this task, however, in such a manner as to do justice to myself, involves the necessity of entering at some length upon a personal narrative, which, on account of subsequent events, with which the public of Edinburgh are sufficiently acquainted, I would rather have avoided. A suspicion, however, may not improbably enter the minds of some, that the Social System, as here developed, is only a new edition of some old and exploded theory; or that the

ideas have; in substance at least, been gathered from the works of other writers. I feel the less hesitation in asserting at once, that, neither in whole nor in part, have I gathered these opinions from any man, because there are persons residing in Edinburgh, no friends of mine either, who are able to detect and to expose the smallest inaccuracy, if there be any, in the following statement.

After spending five years at Repton school, in Derbyshire, where, with every opportunity of becoming a good Latin and Greek scholar, had I ever attended to my studies, I learned little else than to catch fish, to play at marbles, and to climb trees, I entered, at the age of fourteen, upon the performance of such duties as boys, who have nothing but their own industry to depend upon, have usually prescribed to them in a large manufacturing and wholesale house in the city of London; the duties themselves being, in general, but little suited to the taste of those who are over fastidious in their choice of employment—a fault of which it has never hitherto been my lot to be accused. I left school, I well remember, with the written character of “possessing ‘abilities, rising barely to mediocrity.” During the five years aforesaid, I never read through half a dozen English books, and within six months after I left school, I had forgotten nearly all that I had ever learned of Latin: on the study of Greek I never entered.

Plunged at once, at the expiration of this period, into the very centre of the ocean of business, Cheapside, I found myself in a school of a very different character from that which I had left on the banks of the Trent. My fishing-rod was now laid by, and my industry was entirely devoted to the performance of my very humble duties, which were, I believe, at all times performed to the entire satisfaction of those by whom I was employed.

Having read almost nothing up to this period, I had acquired no materials for reflection, but in their absence I found in London an abundance of food for observation.

Ever disposed, almost, as I have been told, from my cradle, to ask "what is the reason of" whatever excited my curiosity, I may say that to ask, and to endeavour to answer, this question, has been the chief recreative employment and pleasure of my life. I never was, and I trust never shall be, satisfied by those vague and inconclusive explanations with which, to save the trouble of thinking, many persons are apt to content themselves; and, being quite unable to penetrate the unfathomable mystery with which every thing seemed to be invested, I looked, for a number of years, upon London and its myriads, as an intricate problem, that however much I might wish, I could hardly venture to hope ever to be able to solve.

But London soon lost for me all its imposing grandeur: my occupations led me, almost weekly, to every corner of it, and such as it is, I soon knew it as well as most men. I saw, however, nothing to satisfy, every thing to puzzle me. *Something is wrong*, some enormous error exists among this moving mass of flesh and blood, was an opinion which soon formed itself in my mind, never, as I am now convinced, to be removed from it; and an indefinite suspicion, that the commercial proceedings of mankind were at variance with the whole system of nature, and that God could never have intended his creatures to be the mere stumbling-blocks of each other, as I saw them to be at every step. I trode, reduced my mind to a gloomy, thoughtful, and half superstitious condition.

My circumstances, being, at length, somewhat changed for the better, my attention came by degrees to be fixed, with great earnestness, upon an inquiry into the *theory* of buying and selling, — with the practice of both I was now abundantly acquainted; and without the aid of any author—for I had not read one line upon the subject of political economy—I arrived at the conclusion which forms the theory of this book: I saw clearly that goods of every description are made either because they are ordered, or

because there is every prospect of their being so; and continued reflection satisfied me that this state of things ought to be reversed,—that production, instead of being the effect of demand, ought to be the cause of it.

Full of my grand discovery, for such I then considered, and do still consider it, I procured a copy of Dr Smith's *Wealth of Nations*, and, after reading the first volume of it, I set to work to reduce my theory to a written form; but being in every way disqualified for the task, I was unable to do more than compile a violent, puerile, unintelligible, and unmendable volume, which I called *The National Commercial System*. The title was the best of it; but although there was scarcely a sentence in that book fit for the press, there is scarcely an idea in this one which was not contained, in some shape or other, in the original: the chief difference, indeed, is, that I then contended for—what I have since seen the folly of advocating—an exclusive metallic currency.

The unmerciful verdict that was passed upon this work I have given in the preface. An elder brother, however, my present partner and manager of the *North British Advertiser*, treated the matter somewhat differently. He saw all the faults of the manuscript, but he saw also, I believe, that still there might be something of consequence in the ideas, and, by his advice, I put the manuscript aside, and betook myself to reading what Mr Owen had written upon the same subject. Previous to this, I had not read a single line of Mr Owen's writings, nor did I even know that such a man existed. The results, however, promised by Mr Owen, I found to be substantially the same as those which I conceived to be attainable, and I, therefore, yielded to the persuasion that the publication of my book would only gain for me the character of a plagiarist.

Under this impression it was, that, as has been already stated in the preface, I was some time afterwards induced to publish a pamphlet—professedly a defence of Mr Owen's plans—the substance of which is contained in the ninth

chapter of the present work. To many of Mr Owen's opinions, however, I never was a convert, and that the opinions developed in this book have been, for a long time, entertained by me, is sufficiently proved by the following passage, with which the aforesaid pamphlet, which was published in January, 1825, concludes:—

“ At a future period I shall endeavour to explain another
“ set of arrangements, *on the basis of a national capital*, by
“ the introduction of which the only limits to our wealth
“ would be the exhaustion of our productive powers and
“ the satisfaction of our wants. The plans to which I
“ allude *are altogether different from the plans of Mr Owen*,
“ but I entertain a hope that they will be useful in proving
“ to the world, *that unity of interest is in every way con-*
“ *sistent with individuality and distinctions of property*; and
“ at a period like the present, when I hesitate not to say
“ that society is on the eve of relinquishing for ever the
“ commercial principles on which it has hitherto acted, too
“ many modifications of the same fundamental principle
“ cannot be laid before the public, for out of each some-
“ thing advantageous may perhaps be selected.”

Perfectly well disposed, however, to agree entirely with Mr Owen, in attaching the utmost importance to the principle of co-operation,—by which term I mean merely *a thoroughly organized plan* of producing, exchanging, and distributing the wealth of the country,—I offered at once, on being informed that an experiment was about to be made of his plan at Orbiston, to give the proprietors whatever benefit they could derive from my very humble services. They were accepted; this it was that brought me to Scotland; and for the purpose of coming here, I left what I could easily have made a valuable situation in a London wholesale and manufacturing house, for which I then travelled.

On my arrival here, however, I soon found, and most sincerely did I regret to find, that the management of the Orbiston establishment was not in the hands of clear-headed, practical, and business-like men. The plan of operations

was never reduced to any definite form, even on paper. I saw at once that the scheme would turn out an utter failure; and as far as I could do so with propriety, not being myself one of the shareholders, I remonstrated, but without effect, and I then resolved to have nothing whatever to do with the affair.

Do I say this *now*, because Orbiston has been a failure? Thank Heaven, I ask no man to take it on my word that I do not; and here is the evidence that Orbiston has turned out precisely as I said, five years ago, that it would turn out:—Mortified and disappointed to see many thousand pounds expended on a speculation that was sure to fail, *on the 29th June, 1826*, I wrote an article, which I entitled, *A Word of Advice to the Orbistonians, on the Principles which ought to regulate their present proceedings*. Of this document I printed a few hundred copies, for distribution amongst the proprietors and tenants at Orbiston; and from it the following are extracts:—

“ With every disposition to place the highest value on
 “ the unceasing exertions that have been made by the
 “ proprietors of the Orbiston establishment to promote the
 “ interests of its tenants, and with the most complete conviction that it is also the anxious wish of the tenants, at
 “ least of such of them as I am acquainted with, not merely
 “ to seek their individual advantage, but also to further the
 “ extensive views of the proprietors, I am, nevertheless,
 “ satisfied that there exists, in the minds of some of the
 “ most influential members, a degree of indifference as to
 “ the *nature of the occupations* that are to be carried on in
 “ the establishment, which is greatly inconsistent with the
 “ best interests of the society.

“ Seeing that the professed object of the Orbiston proprietors is to exhibit to the world a society of labouring
 “ men in *superior circumstances* to those of men of the
 “ same class in external society, it appears to me, that an
 “ error has been committed, in allowing a number of persons
 “ to assemble there who are expected to discover *what they*

“ can do. They can do nothing; at least, they can do nothing well. As well might it be expected that a number of pieces of wood, collected together by chance, should be able to form themselves into a beautiful machine—as well might it be expected that an indiscriminate mixture of drugs should form a perfect medicine—as that men, so collected, should be able to act together to any useful purpose.

“ If I am told, in answer to this, that the *individuals themselves* are to suffer the inconvenience consequent on being placed in situations for which their previous habits of life have unfitted them, I ask, who are to form the community but the *individuals*? and if the individuals composing the community are, to *suffer* the consequences of their being unfit members, by what means is that superior state of *enjoyment* to be exhibited, by which it is expected that the world at large will be induced to act upon the principles of unity and mutual co-operation? Can the body be in health, whilst the members composing it are in a state of disease?

“ Having spoken thus plainly of what appears to me to be an evil, I shall now refer to the remedy, which, in my opinion, must consist in doing just the reverse of what has hitherto been done in the particular alluded to.

“ Instead of persons being allowed to come to Orbiston to find out what they can do, the proprietors of Orbiston must state distinctly to persons making application for admission, what description of hands are required—what proportions of each—what the qualifications necessary; and such, and such only, should be admitted as are completely qualified to act in the capacity for which they engage themselves; and, until the proprietors of the Orbiston establishment are prepared to do this, they are unprepared to take the first step that can lead them to prosperity; and it is my belief, that every other that is previously taken will have to be retraced.

“ To enable me to state my ideas upon the subject more
“ clearly, I shall arrange the different observations that I
“ have to make, under the heads to which they belong.

“ NUMBER OF INHABITANTS.—The first thing to be done
“ at Orbiston, is to ascertain, as nearly as possible, the
“ number of persons that are to form the community; and,
“ perhaps, the best number that can be brought into the
“ establishment is the *greatest* number that can be conve-
“ niently accommodated in the building, for whom *profitable*
“ *employment* can be found; because, as there is a fixed
“ rent chargeable upon the land and buildings, which must
“ be paid out of the produce of the labour of the inhabitants,
“ the more numerous they are, the less will be the sum
“ chargeable upon each; and, in proportion to the number
“ of inhabitants, and their means of purchasing, will be the
“ extent of the market amongst themselves, which will
“ prove of considerable importance, as furnishing a certain
“ source of remuneration to several kinds of employment.

“ ON THE DESCRIPTION OF PERSONS REQUIRED.—Of
“ very trifling importance, however, is the *number* of persons
“ which may compose the community, in comparison with
“ that of making a selection of such, and such only, as are
“ completely qualified for the duties that have to be per-
“ formed.

“ The proprietors of Orbiston, before Orbiston can
“ answer the purpose for which it has been established,
“ must fix upon some two or three, (and they ought not to
“ exceed two or three,) general branches of trade, by which
“ the mass of the population may be employed; and a
“ great many minor occupations will arise, as a consequence
“ of such trades being established upon an extensive scale.

“ For example, I shall suppose that some general branch
“ of industry be fixed upon: Whatever this may be, it will
“ require a manager, and men of various talents, and various

“ kinds of knowledge and experience, to act together, before
“ it can be conducted in the best manner ; and not a single
“ individual ought to be admitted into the society, who is
“ not completely qualified to perform the part he undertakes.

“ The circumstance of any considerable number of persons
“ being thus employed, would immediately create other
“ minor employments, such as baking, brewing, cooking,
“ storekeeping, and a variety of domestic occupations, each
“ and every one of which ought to be filled by persons who
“ have been brought up in those very occupations, or, at
“ least, by persons who can prove that they are qualified to
“ fulfil their duties in the best manner.

“ It may be said, ‘ We have not amongst us persons who
“ have been accustomed to the various duties which have
“ to be performed.’ I ask, *Why have you not ?* Have
“ you ever attempted to procure them ? Are these times
“ when labourers are scarce ? Or is the remuneration you
“ can offer inferior to that which is given for like employ-
“ ments in external society ? But, it may also be said,
“ ‘ We have persons in the community for whom there is
“ no other employment.’ I ask, How came a single
“ individual to be admitted into the community, until it was
“ found that his services were required ?

“ For my part, I am fully satisfied, however painful it
“ might be to all parties, that the best movement that can
“ possibly take place at present, would be, not only to
“ dismiss from the community all persons for whom there
“ is no profitable employment, but also all those who are
“ filling situations for which their previous habits of life
“ have unfitted them ; to refill those situations with other and
“ more competent persons, and not to admit another indivi-
“ dual until his services are wanted.

“ DESCRIPTION OF TRADES LIKELY TO SUCCEED BEST.—

“ Another very important consideration is the description
“ of trades which are intended to be carried on at Orbiston,
“ as the principal source of employment to its inhabitants.

“ In selecting these, the proprietors have a duty before
“ them, on the judicious performance of which mainly
“ depends the future success and prosperity of their estab-
“ lishment. There are, however, as it occurs to me, but
“ four essentials :—

“ 1st, The goods manufactured, must be such as there is
“ a good market for, at a convenient distance.

“ 2dly, The trades followed, must be such as are well
“ suited to the localities of Orbiston.

“ 3dly, They must be such only as can be conducted in
“ the best manner. And,

“ 4thly, They must not be of any description which
“ affords but a bad living in the present state of society, as
“ compared with other kinds of employment.

“ On the two former essentials I deem it quite unneces-
“ sary to offer any remarks ; they are obvious, and cannot
“ easily be overlooked ; but the same cannot, perhaps, be
“ said of the third. And here it may be remarked, that
“ there is an immense difference in different occupations in
“ one particular, some admitting of an *almost indefinite*
“ *division of employment*, while others admit of this to a
“ very limited extent only. For example, if there was an
“ abundant supply of water to turn the requisite machinery,
“ a cotton mill could not be established at Orbiston, or
“ indeed any where, to any advantage, except it be on the
“ *very largest scale* ; because, where this is not the case,
“ the operations performed by the machinery are not so
“ numerous or complete, and the facilities thereby afforded
“ to labour are not so extensive, and, consequently, the
“ labour itself is not so productive. And such is also the
“ case with a great number of manufacturing trades.

“ But in others,—in that of a tailor or shoemaker, for
“ example,—the operations are not so numerous ; little or no
“ machinery is used, and, consequently, less advantages are
“ possessed by a large establishment over a small one, than
“ in the kind of trade before mentioned. Do not, however,
“ suppose, that I look upon tailoring or shoemaking as

“desirable trades to be carried on to any great extent at
“Orbiston: I do not; but merely mention them as con-
“trasts to the one before named; and all I wish to urge is,
“the necessity of venturing upon such trades only as can
“be conducted *on the scale of extent best suited to their*
“*nature.*

“And, fourthly, another serious error might be committed,
“by entering upon trades which afford a bare existence
“only, in the present state of society; for, as I have said
“before, the prosperity of the community must consist of
“the united prosperity of the individuals who compose
“it; and if the lowest or most unprofitable employments
“are followed, instead of the higher or more profitable
“ones, the community will present no very inviting prospect
“to the well paid labourer in external society.

“That some species of labour command much better
“wages than others, will be readily admitted by those who
“have any means of knowing the fact; and, without
“inquiring into the causes of these inequalities, I am
“anxious to fix attention to the *fact*, and to the importance
“of *attending to it*, in the selection of the occupations at
“Orbiston.

“REMUNERATION OF THE MANAGERS.—You may *talk*
“about equal distribution if you please; but, at least for
“some years to come, you cannot *act* upon it.

“The prosperity of Orbiston mainly depends upon the
“successful establishment of a number, more or less, of
“extensive and well conducted trades, and, whatever these
“may be, they must have competent managers; and the
“services of men really competent to conduct any business
“with that degree of spirit and activity, which is indispen-
“sably necessary to its success, can neither be obtained
“at Orbiston, nor elsewhere, for any thing short of *very*
“*liberal* remuneration.

“Within the last few years, a few trades have sprung up
“in London, which, from the scale of extent on which they

“ are conducted, have assumed a character totally different
“ from that of any former establishment in the same line of
“ business. They are, I think, nearly, or quite, one hundred
“ times the ordinary extent.

“ These establishments, *the success of which has been as*
“ *astonishing as their magnitude*, have been the offspring of
“ a few comprehensive minds, which, leaving the beaten
“ track, have ventured to adopt a course of proceeding
“ peculiar to themselves; and one remarkable feature in
“ them is, that the heads, or managers of the departments,
“ are men selected for their superior ability in their respec-
“ tive occupations, and the salaries they receive are *from*
“ *twice to six or seven times* the amount usually given for
“ the performance of like duties.

“ The consequence of this treatment, which is not the
“ result of liberality, but of worldly minded policy, is,
“ that a *degree of interest in the success of the business is*
“ *generated and kept alive*, which never has, and, in my
“ opinion, never can, exist in the minds of those who merely
“ obtain a subsistence as the reward of their industry.

“ You may obtain men readily enough who will engage
“ to perform certain important duties for a small reward, but
“ experience will prove, that prosperity will form no part of
“ the result of their labours.

“ For the same reason I should say, that, to the impor-
“ tant situation of president at Orbiston, a very liberal
“ salary ought to be attached. This is an instance of an
“ office which plenty of persons will be found ready to
“ undertake; but Mr Combe is the only man in the world
“ who will really perform the duties of it for a small salary.

“ On this subject I come to two conclusions:—

“ First, that no undertaking will prosper at Orbiston, or
“ any where else, which has not at its head a competent
“ and well paid manager; and,

“ Second, that it would be injudicious in the extreme to
“ attempt the carrying on of more than two or three general
“ branches of trade, because the price that must be paid as the

“ wages of superintendence and management will be small
“ or great, in proportion as the trades to be superintended
“ are few or many.

“ If a single trade could be fixed upon, by which the
“ whole population could be employed, excepting only those
“ persons who would be engaged in agriculture, and in
“ domestic occupations, the happiest effects might be
“ anticipated ; but if, on the contrary, an immense number
“ of trades are gone into, with half as many masters as men,
“ the production of one article will exceed all limits,—
“ *disappointment.*

“ In every description of business, I look for advantage
“ *chiefly from the magnitude of the scale on which it is*
“ *conducted.* If it were possible to establish a cabinet
“ manufactory upon so large a scale, that every man in it
“ could be constantly employed in performing a single
“ operation ; if it were possible to confine every individual
“ workman to the use of a *single tool*, and for every table,
“ or other piece of furniture, to pass through as many hands
“ as there are distinct operations in the making of it ; I
“ conceive that the cost, in point of labour, of the article pro-
“ duced, would not be one *fourth*, and, far more probably,
“ not one *tenth*, of its present ordinary amount in small
“ manufactories.

“ The not very complicated business of making a ship-
“ block, requires, by the old method of the various
“ operations being performed by one man, from two to
“ three hours’ labour, while, by the almost miraculous
“ powers of the extensive division of employment, aided by
“ proper machinery, the same effect is produced, in the
“ Portsmouth dock-yard, in the incredibly short space of two
“ or three minutes ; and, consequently, supposing the
“ labourers employed, in both instances, to be receiving
“ the same amount of wages per week, the cost of making
“ a block would, in the latter instance, be reduced to less
“ than a sixteenth part of the price which must be paid for
“ it in the former.

“ I do not say that equal advantages could be extended
“ to the business of a cabinet-maker; but merely that the
“ more extensively you can divide this, or any other kind
“ of manufacturing business, into distinct operations, and
“ the more those operations are divided amongst different
“ persons, the more productive will be the labour of each.

“ Upon the whole, I am led to the belief, —

“ That an error has been committed at Orbiston, in
“ admitting persons indiscriminately, and before any trades
“ had been fixed upon, in which it was ascertained that their
“ services would be required :

“ That it will be necessary for the proprietors to dismiss
“ from the community all persons who are filling situations,
“ or performing duties, for which their previous occupations
“ in life have unfitted them :

“ That it will be essentially necessary to the success of
“ the establishment, for the proprietors, and not the tenants,
“ to fix upon the trades to be followed :

“ That it will be necessary for the proprietors to select,
“ *with the utmost caution*, persons of good character, and
“ competent ability, to be employed in the trades that are
“ to be followed, and to perform the offices that may arise
“ in the domestic department :

“ That in the selection of the trades, care ought to be
“ taken that the goods manufactured be such as there is
“ little doubt of being disposed of to advantage; that the
“ trades be well suited to the localities of Orbiston; that
“ they be such as can be conducted in the best manner, and
“ on a large scale; and that they also be such as afford
“ good wages in the present state of society :

“ That the conductors or managers of them be the most
“ competent men that can be procured, and that their
“ utmost exertions be ensured, and their interests bound up
“ in the success of their respective departments, by the
“ payment of a liberal reward for their labours :

“ And, lastly, that on no consideration whatever, ought
“ more than two or three distinct trades to be attempted.

“ In troubling the good people of Orbiston with the
 “ foregoing observations, I am well aware that I have
 “ stated opinions that are very hostile to some of their
 “ notions, and I neither look for their thanks nor approba-
 “ tion. I have stated what I believe to be *true*, without
 “ the least regard to the consideration of whom it may
 “ please, or whom it may offend. I have seen, with regret,
 “ the effects of a tame and indecisive mode of procedure,
 “ which I attribute entirely to an unbounded kindness of
 “ disposition, uncontrolled by any of those sterner qualities
 “ of mind, which I regard as indispensable to the proper
 “ management of an extensive undertaking like Orbiston;
 “ and I am perfectly certain, that neither that, nor any
 “ other establishment, can prosper, except upon a complete
 “ and well digested plan of operations, enforced with the
 “ utmost determination and vigour.”

Such is the language which I addressed to the Orbiston Society, on the 29th June, 1826. Cast not, therefore, in my teeth, the fallen Babylon—or *Babolon*, as the country people called it, from the first day of its erection—for, whatever its failure says respecting my judgment, is for, and not against it.

I cannot, however, conclude this notice of the Orbiston establishment, without offering my humble tribute of respect to the memory of one who fell, prematurely, the victim of his own indefatigable industry and enthusiasm in the cause in which he had embarked,—I mean the late Mr Abram Combe.

Possessed of a vigorous and enthusiastic mind, upon which the anomalies of the existing state of things had made an indelible impression, that something must be wrong in the present constitution of society, Mr Abram Combe was one of Mr Owen's earliest and most faithful adherents, and his mind was soon turned towards the adoption of practical measures for the relief of that distress, which he attributed, and justly, to the defective institutions of society. Too little of a theorist, however, his mind was very prematurely

devoted to practical measures: he had got fast hold of an indefinite something, which he believed to be valuable, and instead of devoting, as I humbly submit he should have done, years of mental labour to the formation of a well digested theory, he commenced to work, like a builder without a plan, or like an author without a subject: and he vainly hoped that time and experience would develop that in practice which he appears never to have been aware should have first existed, not generally, but definitively, and minutely, in theory.

The truth of these observations is abundantly proved, as well by Mr Combe's writings as by his proceedings at Orbiston. In a little work which he published in 1823, entitled, *Metaphorical Sketches of the Old and New Systems*, there is a considerable sprinkling of forcible observation and satire upon the folly of the existing state of things and of opinions, mixed up with a much greater quantity of that which is vague and unsatisfactory. Like the "Ruins" of Volney, which in some other respects also it resembles, it abounds with that which is calculated to excite inquiry rather than to satisfy it. The three great divisions of Social Science,—production, exchange, and distribution,—remain unnoticed in any systematic form which can be examined, criticised, approved of, or objected to, and co-operation and equal distribution are all that we find offered in their stead: the one of these, the political economists assert, already exists, and the other is condemned as contrary to every principle of justice by that system of nature, of which Mr Combe was himself an especial admirer.

Mr Combe's opinions, however, were very deeply rooted: he put his trust entirely in the main principle of co-operation, and as the event has fully proved, neglected, to his cost, the important consideration, that a principle in Social Science, like the great power of its mechanical department, requires to be directed, controlled, and regulated, upon a perfectly organized plan, wanting which its power is but a name, and itself but vapour.

In his religious principles, Mr Combe was a strict necessitarian : he looked upon man as a drop in the ocean, which, regulated by its own specific gravity, and the impulses that surround it, is driven to and fro by a power over which it has itself no control. Influenced, as a consequence of this opinion, by a disposition to compassionate, rather than to blame, those who, in mind as well as in circumstances, were little to be envied, he admitted, with a fatal want of due selection, persons into the Orbiston establishment, who were totally incompetent to do any thing in this world save talk : he believed his principle to be so powerful, that *out of any materials* he could construct a beautiful edifice—a lasting monument of co-operative superiority : but in this he was mistaken.

His errors, however, were those of judgment, and of judgment only ; for, in sincere, ardent, and disinterested disposition *to do good*—to benefit his fellow-creatures, and not this or that man, for the sake of the individual flattery or gratitude it might obtain him in return, but mankind in general,—Abram Combe was surpassed by few inhabitants of the globe. Unobtrusive, and as indifferent to the opinion of the world, as to the current of a passing wind, his bodily and mental energies were entirely devoted to the cause in which he had embarked—to the endeavour to promote the happiness of the human race—and the reward he expected was an approving conscience.

And he obtained it. Holding in utter contempt whatever contributed to produce mere empty effect upon the minds of other men, he submitted with a patient and unostentatious resignation to his last severe and protracted illness. By over-exertion with the spade—an instrument *he* was not ashamed to use—he caught a severe cold, which settled on his lungs ; consumption ensued, and death, if I may use the term, gave him notice, that though it would not be sudden, nor very soon, his call would not be much longer delayed. At length it came, and, on the 11th August, 1827, his sufferings terminated.

Remembering, however, Abram Combe, which I shall ever do, as one of the earliest friends and promoters of the Social System,—for under whatever specific plan or modification that system will be established, established it *will* be, sooner or later, as certainly as the sun will continue to shine upon the earth,—I cannot do justice to my own feelings upon this subject, without transferring to a less perishable form than that in which it has hitherto existed, the following memoir, which was drawn up, shortly after the death of Mr Abram Combe, by a friend who had the best means of knowing his character, disposition, and pursuits. For the sake of brevity, a few unimportant passages are suppressed.

MEMOIR OF THE LATE MR ABRAM COMBE.

“It is our painful duty to announce,” says the *Orbiston Register*, of the 19th September, 1827, “that Mr Abram Combe died at Edinburgh on the 11th August, after a long and severe illness.

“He was born on the 15th January, 1785. After receiving instruction in English reading, he commenced Latin under the late Mr Greig. He was thereafter entered to the High School of Edinburgh, and joined a Latin class taught by the late Mr Luke Fraser, who then enjoyed a high reputation. At the end of the fourth year of Mr Fraser’s tuition, the class passed over to Dr Alexander Adam, the rector of the school; under whom Mr Combe studied for one year. He learned writing and arithmetic with Mr Swanston, in the High Street, and geography from a private teacher: and this comprised the extent of his youthful education.

“He had naturally a taste for knowledge, and an aptitude for languages; but, from his earliest years, he was a devoted admirer of utility. He could not discover any practical advantage to be derived from his Latin studies; and, therefore, never gave his mind to them, and learned just as much as enabled him to escape with a moderate

“ share of the severe chastisement with which Mr Fraser
“ visited all who were not perfect in their lessons. If his
“ own intellect could perceive few advantages in the study
“ of Latin, Mr Fraser did little to enlighten his perceptions,
“ or to render the labour itself attractive. Apparently
“ absorbed in admiration of the Roman classics, and unacquainted with human nature, that good man practised
“ only one method of making scholars, and that was, to flog
“ to the last extremity all who were deficient in any part of
“ the prescribed exercises. Mr Combe never looked back
“ to this period of his life but with dislike and great regret,
“ not only for the suffering needlessly inflicted on him, but
“ for the loss of valuable time, which, under more enlightened
“ direction, might have been advantageously employed in
“ acquiring knowledge of practical value. Dr Adam was
“ more gentle in his nature, and possessed the faculty of
“ gaining the affections of his scholars. Mr Combe was
“ not unhappy under his instruction ; and, while he spoke
“ with uniform dislike of Mr Fraser, he cherished a sincere
“ respect for the virtues and intelligence of Dr Adam.

“ Mr Combe's father was a brewer in Edinburgh, and
“ adjoining to the brewery were several tan works. This
“ accidental circumstance led him to choose the trade of a
“ tanner for the business of his life, an occupation which,
“ in many respects, was not the best suited to his mind.
“ Every parent experiences a difficulty in selecting trades
“ or professions for his sons ; and boys are equally at a loss
“ in making a choice for themselves. This arises from two
“ causes,—ignorance, on the part of the parents, of the
“ talents and dispositions of their children, so that they
“ really feel themselves incapable of judging how they may
“ fill different situations ; and, secondly, ignorance in boys
“ of the nature of trades and professions. The phrenologists
“ hold out a promise of removing the first obstacle ; but a
“ work adapted for the youthful mind, giving a correct and
“ intelligible description of the various occupations of

“civilized men, is still wanting: such a work ought to mention very explicitly the bodily labour requiring to be performed in each trade; also the principles in human nature on which it is founded, and the mental qualities requisite for its successful prosecution.

“Mr Combe served an apprenticeship as a tanner and currier, with Mr John Somervail of Edinburgh, and resided in his father's house. His parents were strict Calvinists, and sedulously instructed him in the principles of that persuasion. High walls and a gate enclosed and shut in his father's house, brewery, and a small garden. During six days of the week, he was engaged in labour at his trade, from seven in the morning till eight in the evening. On Sunday, he was carried twice to the parish church, and, during the remainder of the day, confined within the precincts of this small enclosure, occupied in getting by heart the larger and shorter catechisms, psalms, paragraphs, and chapters of the Bible, and in reading sermons, and the Scriptures. The picture of man's estate, being one of ‘sin and misery,’ was realized in his personal experience; and he used frequently to remark, in after life, that, between the positive sufferings inflicted at the High School, the restraints imposed on him at home, and the absence of every thing that could gratify his moral or intellectual faculties in a natural manner, his boyhood and youth were rendered as essentially dreary and melancholy, as if the object of his parents had been to mar his enjoyment, which he knew was the very opposite of their intentions.

“He was never, at any period, addicted to vice; on the contrary, he was constitutionally averse to sensual debauchery of every kind, and took no interest in coarse or profligate amusements. He was fond of reading and conversation; and, in the brief intervals of toil and religious instruction, devoured Burns and Shakespeare, the Spectator, Roderick Random, Don Quixote, and other

“ books of a similar description. He followed, however, no
“ systematic course of reading, and received no scientific
“ education.

“ After finishing his apprenticeship, he went to London to
“ complete a knowledge of his trade. Here he saw manners
“ widely different from those to which he had been pre-
“ viously accustomed; and, in particular, he used to say,
“ that he discovered, for the first time, that life could be
“ enjoyed without infringement of morality. He remained
“ in that city for about two years; thereafter he went to
“ Glasgow, where he commenced business as a currier;
“ but not satisfied with his success, he returned to Edin-
“ burgh, and set up as a tanner about the year 1807; which
“ trade he continued to carry on till his death.

“ After he became master of his own time, it was obvious
“ that he possessed faculties which did not find scope and
“ full employment in his trade. He had, at all times, a
“ pursuit to which he dedicated his affections; and
“ mechanics formed the first object of his liking. At one
“ time he laboured at inventing new methods of propelling
“ boats by oars or paddles; and, at another, he was
“ anxiously engaged with another individual in construct-
“ ing machinery for shaving hides, an operation of con-
“ siderable importance in tanning, which is still generally
“ performed by the hand.

“ In September, 1812, he married Miss Agnes Dawson
“ of Dalkeith, and soon became a father. This change of
“ circumstances did not change his habits; he continued
“ fond of amusements, and exhibited a playfulness of dis-
“ position, and a hearty relish for enjoyment, rarely the
“ accompaniments, in an equal degree, of married life, in
“ the present state of society.

“ He possessed from nature a talent for imitation, and a
“ keen sense of the ludicrous. These he applied in satirizing,
“ often with great severity, all those whose conduct or
“ manners differed from the standard which appeared to

“ him to be that of propriety. He wrote verses, also, full
 “ of point and drollery : one stanza on a village poet, who
 “ wore excessively long hair, may be cited as a specimen,—

Oh, Nature ! say, in what untimely hour
 Upon this poet's numskull thou didst shower
 Such an excrescence of black bushy hair,
 As if to shield the brains that are not there.

“ He was the author, also, of a parody of *The Man of*
 “ *Thessaly*, which, connected with the phrenological con-
 “ troversy, subsequently made the tour of the globe in the
 “ English newspapers, and was translated on the continent,
 “ and reprinted in the United States.

“ Between 1807 and 1820, at which last period a new
 “ direction was given to his faculties, he pursued his
 “ personal interests with the usual degree of ardour dis-
 “ played by manufacturers and merchants, and his benevo-
 “ lence evaporated in a general wish for the welfare of
 “ mankind, which led to no active measures for promoting
 “ their enjoyment. As he was always scrupulously just,
 “ and had discernment enough to discover that self-interest
 “ in trade is best promoted by fairness and liberality, those
 “ who knew him only in business were less sensible of any
 “ change in his dispositions in the latter years of his life ;
 “ but by his relatives his affections were regarded during
 “ this interval as rather exclusively concentrated in himself
 “ and his own family ; and he was looked upon as sympa-
 “ thizing but little with the good or evil that befel others. He
 “ was then a firm believer in the doctrine that men formed
 “ their own characters and dispositions ; and hence, when
 “ any one acted contrary to what he conceived to be right,
 “ he did not spare severity of remark on his conduct. At
 “ the same time, he was far from malevolent ; and if he
 “ could benefit any one whom he liked, without injuring
 “ himself, he readily did so. He was fond of the country,
 “ and engaged, with keen relish, in rural excursions. He

“ was an enviable companion on these occasions, as his
“ cheerfulness and humour kept the party in a pleasing
“ excitement for days in succession, without becoming
“ tiresome, or approaching to commonplace. The theatre
“ also was a great field of interest to him in winter.

“ In October, 1820, he made an excursion to Lanark,
“ and was introduced to Mr Owen. He heard this gentle-
“ man expound his views about the formation of character—
“ the defective institutions of old society—the advantages
“ of co-operation—and the great imperfections in the
“ common systems of education; he saw the schools at
“ New Lanark, and beheld, with great interest, the children
“ clean, cheerful, and intelligent; he contrasted the views
“ presented to him with his own past experience and
“ observations, and retired deeply impressed with the idea
“ that there must be important errors in the principles and
“ practices of society, as generally constituted, which
“ occasioned the misery every where abounding, and much
“ gratified with the prospect of brighter scenes held forth
“ by Mr Owen. The effect produced on his mind was
“ deep and permanent. For some time he merely related
“ what he had heard, and described what he had seen,
“ without announcing any decided opinion of his own; but
“ after months of consideration, and hearing Mr Owen
“ again, and reading his works, he at length became a
“ complete convert to his views. With him conviction
“ and practice were closely connected; he first became a
“ zealous advocate of the new views in conversation, and by
“ the press, and thereafter assisted in setting on foot a
“ co-operative society in Edinburgh, as nearly on Mr Owen’s
“ principles as was compatible with external circumstances.
“ The society opened a store for the sale of the necessaries
“ of life, on as low a profit as would suffice to defray the
“ necessary expenses of the establishment; they met in
“ the evenings for mutual instruction and social enjoyment;
“ conversation, music, and dancing, constituted their
“ amusements; abstinence from spirituous liquors, tobacco,

“and profane swearing, were conditions of admission ;
“and a school, on the plan of those at New Lanark, was
“established for the children. At first, the society
“prospered amazingly. The members, full of moral
“enthusiasm, experienced delightful emotions, and anticipated vast advantages ; some conceived that earth was
“immediately to be changed into heaven, and that sin and
“sorrow were about to be banished from the land.

“Mr Combe himself was sanguine of great results ; a
“complete revolution took place in his mind, and he became
“the sincere advocate of the doctrine, that the characters of
“men are formed by their natural constitutions and external
“circumstances. While he regarded men as free agents,
“ (meaning, by this expression, beings who could adopt
“whatever modes of feeling, thinking, and acting they
“chose,) he was a severe satirist of their faults, but
“thought it quite unnecessary to pursue any other means
“for their reformation, beyond expressing his contempt or
“disgust at their actual conduct. When converted to the
“new views, he regarded every man as unfortunate, in
“proportion to his moral debasement, and intellectual
“ignorance, and extended towards him an active sympathy,
“not only forgiving offences towards himself, but sedulously
“elevating his moral and intellectual nature in unhesitating
“conviction, that, if he succeeded in improving the mind
“of the individual, more perfect actions would necessarily
“follow. Under his old notions, he preferred his private
“interests to all others ; and among those who knew him
“best, he was regarded as selfish rather than generous.
“After the change in his sentiments, he openly professed
“the belief, that the active pursuit of the welfare of others
“constituted man’s first duty and happiness ; that this was
“also the true way of attending to his own interests, and
“he boldly practised his precepts. We know, from the
“best sources of information, that a number of his relatives,
“who had stood on a footing of little more than acquaintanceship with him before, now felt his whole character change :

“ formerly they dreaded his lash, now they found his affections
“ overflowing on them ; formerly he wrote satires, epigrams,
“ and lampoons, now he devoted himself to the composition
“ of precepts of universal benevolence and justice ; in
“ short, a change of character, resembling that usually styled
“ ‘ conversion,’ was, in his case, undeniable. He carried
“ his principles so far, that he gave up the use of animal
“ food and fermented liquors ; and the theatre became to
“ him an object of dislike, on account of the low motives
“ and false maxims which abounded in dramatic pieces, and
“ which he now felt to be offensive to his moral sentiments.

“ He continued, from time to time, to publish short and
“ practical treatises on the subject of the co-operative plan.
“ In 1823 appeared *An Address to the Conductors of the*
“ *Periodical Press, upon the Causes of Religious and*
“ *Political Disputes* ; also, *Metaphorical Sketches of the*
“ *Old and New Systems, with Opinions on Interesting*
“ *Subjects* ; in 1824, he published *The Religious Creed of*
“ *the New System, with an Explanatory Catechism, &c.*
“ These works are replete with meekness and charity ;
“ contain many practical remarks of great importance ;
“ and are composed in a clear, forcible, and didactic style.

“ In co-operation with A. J. Hamilton, Esq. of Dalzell,
“ and several other benevolent individuals, both in England
“ and Scotland, he, in 1825, set seriously about trying the
“ experiment of the New System on an extensive scale.
“ They feued the estate of Orbiston, containing two
“ hundred and ninety-one statute acres, and lying nine
“ miles east of Glasgow, and almost contiguous to the south
“ road from that city to Edinburgh, for the sum of £20,000 ;
“ they erected extensive buildings, capable of accommodating
“ upwards of three hundred individuals, with public rooms,
“ storeroom, and other conveniences for common occupa-
“ tion ; and also a manufactory on the Calder river, which
“ bounds the property on the southeast. Mr Combe now
“ assumed two copartners into his business in Edinburgh,

“ removed with his family to Orbiston, devoted his whole
“ time and exertions, and by far the larger portion of his
“ property, to the undertaking; and sought his reward in
“ the delightful feelings excited in his own mind by
“ practical benevolence, and the prospects of success which
“ continued to animate him to the last moment of his life.

“ Too soon, however, was the grave destined to close
“ upon his exertions. The labour and anxiety which he
“ underwent at the commencement of the undertaking,
“ gradually impaired an excellent constitution, which, too,
“ had been weakened by his previous temporary abstinence
“ from animal food. Without perceiving the change, he, by
“ way of setting an example of industry, took to digging
“ with the spade, and wrought for fourteen days at this
“ occupation, although for a long time previous unaccus-
“ tomed to labour. This produced hæmoptysis, or spitting
“ of blood from the lungs. Being unable now for bodily
“ exertion, he dedicated his time to directing and instructing
“ the community, and for two or three weeks spoke almost
“ the whole day, the effusion from his lungs continuing.
“ Nature rapidly sank under this erroneous mode of pro-
“ ceeding; he became breathless and weak, and at last
“ came to Edinburgh for medical advice. When the
“ structure and uses of his lungs were explained to him, and
“ when it was pointed out that his treatment of them had
“ been equally injudicious as if he had thrown lime or dust
“ into his eyes after inflammation, he was greatly amazed
“ at the extent and consequences of his own ignorance, and
“ exclaimed, How greatly he would have been benefited, if
“ one month of the five years which he had been forced to
“ spend in a vain attempt at learning Latin, had been
“ dedicated to conveying to him information concerning the
“ structure of his own body, and the causes which preserve
“ and impair its functions! He was ordered merely to give
“ his lungs repose, that is, to avoid walking, speaking, and
“ stimulating food, and by following this course for a

“fortnight in Edinburgh, he returned to Orbiston greatly recruited, and with the symptoms of disease evidently diminished.

“He continued, on the whole, to improve in health till towards the end of August, 1826, when he was overtaken in the manufactory at Orbiston, then roofed in, but not fitted with windows and doors, by a heavy rain. Afraid of getting wet, he stood for upwards of two hours exposed to a cold wind whistling through the building; and very soon afterwards felt himself worse. He again proceeded to Edinburgh, and had just been one day in his brother’s house there, when he was seized with violent inflammation of the lungs. With much difficulty this was subdued, but he never recovered his strength, nor was able to leave Edinburgh.

“His sufferings during the inflammation, in September, 1826, were very great, and he said every day appeared like a fortnight in length; but, in the greatest pain, he never, for a moment, lost his equanimity, or wavered in principles. Indeed, his mind seemed interested in applying the latter to his circumstances, as the prospect of life or death alternately cheered or darkened the horizon. When in great uneasiness, he said—‘Philosophers have urged the institution of death as an argument against divine goodness, but not one of them could experience for five minutes the pain which I now endure, without looking upon it as a most merciful arrangement. I have departed from the natural institutions; but, in death, I see only the Creator’s benevolent hand stretched out to terminate my agonies, when they cease to serve a beneficial end.’ After recovering from this attack, he suffered little pain, except on two nights, when he became exceedingly breathless. A few days before his death, he told his brother that he had been inquiring of the doctor whether the pain of dissolution would be very severe. ‘If it were not to be worse than the inflammation, and the two breathless nights, I

“ ‘think I could bear it.’ The doctor told him, that it
“ ‘would not be nearly so severe, and that, in all probability,
“ ‘he would sleep away without feeling the change. ‘If
“ ‘that shall be the case,’ said Mr Combe, ‘I shall be very
“ ‘happy ; for, except on these three occasions, my illness
“ ‘has really been far less painful than you would think.
“ ‘Laudanum is a blessed medicine ; for often in the
“ ‘morning when I have been told that I had had a very
“ ‘restless and weary night, I have said that it might be
“ ‘so, but I knew nothing about it ; in fact, I had been
“ ‘quite unconscious of every thing.’

“ ‘He frequently spoke of his past life, and approaching
“ ‘dissolution ; and on many occasions said, that ‘the last
“ ‘five or six years of his life, during which he had been
“ ‘actively engaged in promoting the welfare of others, had
“ ‘been truly delightful ; that all the previous part of it,
“ ‘when he acted on the selfish system, had been com-
“ ‘paratively dreary and barren ; and that, were his life
“ ‘offered to him over again, exactly as it had already been
“ ‘spent, he would cheerfully accept the latter part of it,
“ ‘but would decline the first.’ He was waited on by some
“ ‘pious individuals, and particularly by one of the clergy-
“ ‘men of Edinburgh, who conversed with him about his
“ ‘religious opinions, and his dying prospects. He did full
“ ‘justice to the kind motives which had prompted their
“ ‘visits, but maintained calmly and firmly his own principles.
“ ‘In reporting the conversations with them, he said, that he
“ ‘had abstained from stating his opinion of the errors under
“ ‘which they appeared to him to labour, as he did not wish
“ ‘to cause them pain. He was very anxious not to be mis-
“ ‘understood or misrepresented on this point ; and, on the
“ ‘9th August, about thirty-six hours before his death, he
“ ‘dictated to his eldest son, a boy of thirteen years of age,
“ ‘the following words, as his dying testimony :—

“ ‘ ‘The long period during which I have been afflicted,
“ ‘has given me ample opportunity to contemplate the past
“ ‘doings of my life, and these contemplations, so far from

“ ‘ having been painful, have enabled me to say, that if *any*
“ ‘ epitaph is written on me, it may be simply this, —

‘ THAT HIS CONDUCT IN LIFE, MET THE APPROBATION
OF HIS OWN MIND AT THE HOUR OF DEATH.’

“ On the morning of 10th August, he was seized with a
“ fit of weakness, approaching nearly to fainting, in which
“ he thought he was dying, and as he felt no pain, his
“ eye beamed with joy, and his countenance expressed the
“ most serene placidity. On recovering, he said, that he
“ ‘ was disappointed at finding himself here again ; he
“ ‘ thought that he had arrived at the end, and was happy
“ ‘ that he had done so, as he would occasion no farther
“ ‘ trouble, for he felt he had been a heavy burden.’ Mrs
“ Combe remarked, that the trouble he gave to others need
“ never cause him a moment’s uneasiness, for it was the
“ highest consolation of herself and relatives to afford him
“ every solace. This expression deeply affected him, and
“ as soon as he had gathered a little strength, he dictated
“ to his son a most endearing testimony of respect and
“ affection for his wife, and several of his female relatives,
“ who had been particularly attentive to him ; returned them
“ his warmest thanks, and used the last effort of remaining
“ strength to append to it his signature, “ Abram Combe,”
“ and then waited patiently for death. In the course of
“ the same day he repeated his entire satisfaction with
“ Orbiston, and spoke of the happiness that he then felt
“ from what he had done for others. On the afternoon of
“ the same day, one of his brothers told him that Mr Owen
“ was hourly expected in Edinburgh, and had expressed
“ his ardent wish to see him. Mr Combe’s countenance
“ kindled into new vigour at the prospect, and said he
“ should feel much gratified in seeing Mr Owen before he
“ died. He spoke of Orbiston with all his wonted warmth,
“ and confidence of success ; and with much affection
“ and esteem of the friends who had joined with him in

“promoting the undertaking. He delayed taking his sleeping draught till nine o'clock that night, expecting Mr Owen to call; and in drinking it, said, he would last over this night, but not another. In the morning, he was still quite sensible, and spoke of breakfast. Before it was ready, he was seized with a second fit of weakness, and expired, apparently without pain, at half-past eight of the morning of 11th August. Mr Owen called six hours after he expired, and greatly regretted the detention which had prevented him bidding his friend and follower his last adieu.

“Some weeks before his own death, Mr Combe heard of the decease of a relative, whose body had been opened to ascertain the nature of his disease, and said to his sister, who was then with him, ‘It was very proper to open him. If I could, by possibility, be present at my own dissection, I would give my hearty consent to it.’ His body was opened, and the right lung found deeply diseased, while the left, and all the other viscera, were in a healthy condition; proving, thereby, the fact that the disease was not constitutional consumption, but owed its origin to external causes.”

Thus ended the career of one whose motives, in all that related to the society of which he was the founder, were not only pure, but unsuspected. Perhaps, in the demolition of the Orbiston buildings, he would have experienced a severer pang than that which terminated his mortal life; but his adherents say, that, if he had continued to live, Orbiston would have continued to stand and to prosper.

Widely, however, as I may dissent, and I do dissent widely from many of the opinions of the late Mr Abram Combe, it would be the argument of a child, of a bigot, or of a knave, to appeal to the fate of the Orbiston establishment as conclusive evidence against the doctrines of which its founder was the advocate. What, of any considerable extent and magnitude that has at any period occupied the attention of

mankind, has ever done otherwise than fail at its outset? The whole history of mechanical science presents to our view but an almost unbroken chain of failures, and yet, what is it that is the present wonder of the world but the result of the *last attempt* to do that which has been a thousand times attempted before, only to end, for a time, in disappointment and ruin? What was the first reception of the gas light? what that of the steam engine, the steam boat, and the steam coach?

But visionary—visionary—visionary—still continues to be at once the observation, the comment and the argument of every self-satisfied dolt, who, being either too busy or too fat to form a rational opinion for himself, and being, at the same time, too proud to confess that he has never done so, resolves every thing that is extensive and new into this single word, which he repeats upon all occasions, like a magpie or a daw; never failing, however, to take care that the delivery thereof be sufficiently emphatic and dictatorial.

But the *ipse dixit* have had their reign. “I say that it is, or that it is not so,” will not do now-a-days. “The schoolmaster is abroad,” and the “march of intellect”—nay, laugh not at the phrase, for it is ridicule proof—is driving before it mere dogmatism, like a great overgrown swine, sufficiently unwilling to move, but moveable nevertheless, and, therefore, *made to go*, however reluctantly.

The reasons having been stated, then, why, although I came to Scotland for the express purpose of doing so, I never had the least connection with the Orbiston establishment; and being much too well pleased with Edinburgh to have any disposition to return to the ocean of smoke, I resolved to do something for myself here; and, after about a week's consideration of the matter, I started, in 1825, the gratis advertising paper, denominated *The Edinburgh and Leith Advertiser*. This project succeeded too well: five professed copies of it were almost immediately started in Scotland. The newspaper people liked not the plan; they petitioned the Treasury respecting it—got an act of parliament against

the publication of advertisements on unstamped paper — and I was obliged to give up my business.

Having, however, the command of capital, I resolved to convert the gratis paper into a newspaper, bearing the same name, and this I did, taking, at the same time, my brother into partnership. *The Edinburgh and Leith Advertiser* then commenced as a regular newspaper; but, between the inexperience of its conductors in the trade in which they had embarked, the deficiency of means necessary to give it a lasting and up-hill trial, and the unfortunate controversy respecting the currency, in which it espoused the unpopular side, the paper went down, after the publication of fifty-three numbers.

Having introduced the name of *The Edinburgh and Leith Advertiser*, which was conducted upon politico-economical principles, many of which I hold to be abundantly absurd, it will be proper to add, that in the editing of that paper I had no share. It was conducted entirely by Mr James Gray, my brother. In one particular I entirely agreed with him, which was, that so long as he should continue to edit the paper, he ought to write his own sentiments upon whatever political subject should arise, whether they should be right or wrong, popular or unpopular, profitable or ruinous; and he did so. Farther than this our sentiments went not very much together; and it is proper to mention this, because many of the opinions that are combated in the foregoing pages were defended in *The Edinburgh and Leith Advertiser*: absenteeism, for instance, was, in my brother's estimation, no injury to Ireland.

Into the famous currency controversy, he entered with some enthusiasm. Gold was his text — paper that of his opponents. There was, I conceive, but little to choose between them: the man of gold would double the national debt; the man of paper would halve it, and, at the same time, constitute the fraternity of bankers commercial deities in perpetuity. I agreed with neither the one nor the other, but the opinions I entertained upon this subject

being unintelligible, considered abstractedly, and without reference to the principle of exchange herein developed, I never sought to obtrude them upon the notice of the public. The interests of society between these combatants appeared to me to be very much like Jessica, the Jew's daughter, between father and mother, "gone both ways."

After *The Edinburgh and Leith Advertiser* failed, I projected, planned, organized, and established the existing *North British Advertiser*,—a newspaper published in Scotland, containing only advertisements, and sent, gratis, to eleven thousand persons, or families, every week,—which, *for the benefit of other people*, has continued to prosper, whilst the individual, by the unassisted energies of whose mind, and the sweat of whose brow, it was established, has—but enough of this, a subject with which the public of Edinburgh are already sufficiently acquainted.

From the Orbiston establishment, we turn by a very easy transition to the co-operative plan of Mr Owen; but here again we are much at a loss for a systematic treatise—an aggregate of parts—which can be analyzed, objected to, or approved. Substantially, however, the plan of Mr Owen appears to embrace three distinct branches of human science: *first*, morality, or the formation of the human character; *secondly*, political economy, or, as it is here denominated, social science; and, *thirdly*, domestic economy, or the art of enjoying that which we possess.

On the *first* division of the subject I shall bestow but a very few words, because it is impossible to go into it at any length, without entering the mazes of religious disputation, and this, I am fully-resolved, shall form no part of the present volume.

The essence of Mr Owen's opinion upon this subject, is, that the character of an individual is formed *for* him, and not *by* him; and that, by the adoption of a proper system of training and education, "any general character, from the best to the worst, from the most ignorant to the most enlightened, may be given to any community, even to the world at large."

With respect to this doctrine, I have merely to observe, *that there is not the smallest necessity* to train mankind otherwise than they are at present trained in this country, to supply every individual inhabitant of the habitable globe with all the physical means of enjoyment; in other words, to abolish unmerited poverty, and to establish, in its stead, universal affluence: to do this, I say, it is not necessary to make mankind one jot wiser, better, or more charitably disposed towards each other, than the inhabitants of all civilized nations are at present; save only to open their eyes to a correct view of the single error which is so much dwelt upon in these pages. Characters much worse than the present average of the inhabitants of the city of Edinburgh, may be emancipated from poverty at any time, and for ever, simply by making production the cause of demand. Upon this change good feeling between man and man would be consequent, but the task that is before the world is not to make men friends that they may prosper, but to make men prosper that they may be friends.

Upon this subject I am of opinion, that Mr Owen has taken the means for the end, and the end for the means, and that he and his disciples are labouring under the delusion, that it is necessary to train men to be virtuous that they may be rich. I deny the existence of any such necessity, and say, if you would have mankind to become virtuous, begin by improving their physical condition.

Secondly, on the three great subjects of production, exchange, and distribution, Mr Owen has never sufficiently explained his views to make them a fair subject for criticism; but a community of mutual co-operation and equal distribution, as respects production, must do one of two things,—it must either make within itself every thing it requires to consume, or it must exchange a portion of its products for the products of the labour of other people. To do the former is quite impossible, and to do the latter, some general branch of industry must be conducted upon so extensive a scale, that the most wealthy of the existing manufacturers can be competed with in the market. A

community, therefore, to succeed, must, I conceive, carry on but *one* general branch of manufacture, the others being merely of that subordinate character which always arise wherever a large number of people are congregated together.

On the subjects of exchange and distribution, so far as relates to what is produced or acquired by the community for its own use or consumption, Mr Owen is explicit enough,—*equal distribution*. I object to this, on every principle of equity; and even expediency—that at all times suspicious word—cannot be urged as its excuse. Equal distribution would be a premium on idleness; it would check the progress of, if not annihilate, the fine arts; for surely no man could have the impudence to ask a community to keep him, whilst he should continue to devote himself for years to the pursuit of painting, sculpture, or the like, upon the *chance* of being at some time able to repay the kindness in the produce of his art; and, moreover, it would annihilate that principle, to the existence of which we owe it, that almost every thing that is made to-day is better, of its kind, than that which was made yesterday,—individual competition.

With respect to the rest of society, and to our transactions with other countries, the subject of exchange is by Mr Owen left untouched; as also are those vitally important considerations which claim the first attention of the political economist,—the accumulation of capital, population, and the currency. These things must not be slurred over, or treated as secondary and unimportant; for charcoal and saltpetre are not more essential to the existence of gunpowder, than are a sufficiency of capital and freedom of exchange to national prosperity.

Upon the *third* division of the subject, that of domestic economy, I look upon the plans of Mr Owen as opening to our view a vast field for cultivation and improvement. A town, as it is at present erected, is a libel upon human taste. To look even at the Prince of Cities, Edinburgh, from the top of a hill, one would be led to suppose that the genius of confusion had been at work for a century. That

a series of detached symmetrical piles of building—such, for instance, as the recent erections in the Regent's Park, or those on the site of the late Carlton Palace, with proper intervals between them, each distinct erection having reference to the plan and proportions of all the rest, interspersed with flower gardens, fountains, statuary, public reading rooms, theatres, assembly rooms, temples, conservatories, and the like, all built upon a plan, and in perfect architectural harmony with each other—would give both the appearance and the reality of comfort and elegance, in a degree which would cast into the shade even the “City of Palaces,” we cannot for a moment doubt; and so far from adding to domestic expenditure, such a system of building might easily be rendered the means of reducing it proportionally.

To ascertain to what extent menial service might be superseded by mechanical arrangement, if towns were built, as houses are at present, upon a plan, instead of being added to piecemeal *ad infinitum*, would involve a very extensive inquiry; but that domestic economy is a science as yet in its cradle, there can be little doubt, and Mr Owen—to whom, by the way, the numerous infant schools now existing in this country owe their establishment—is the father of the child.

But I forbear to pursue the subject of domestic economy. In all that relates to the production, exchange, and distribution of commodities, I believe the Social System, as here explained, *to be incomparably superior to any previously existing theory*; and in many respects, it is perfectly consistent with the plan of Mr Owen. The Social System, however, has this decided advantage:—To put it into universal operation, it is not necessary to *begin* by improving the human character: money, and a committee of intelligent and practical men of business, could start it at any time, and it would then go, of its own accord, like a steam coach; whereas the plan of Mr Owen appears to require a degree of mutual forbearance and consideration between man and man, which, I humbly submit, can never become

the *cause* of physical improvement: it may be the consequence of it.

The great evil of commercial society is, that there is no tendency in demand to keep pace with production: it is always easier *to sell* than it is *to buy*, and the cure must consist in causing the one to be done as easily as the other. At present, production keeps pace with demand: this must be reversed—demand must keep pace with production, be the motions of the latter ever so rapid.

A paper currency, increasing as produce increases, and decreasing as produce is consumed, must compose the walls, as a national capital must be the basis, of our temple of prosperity. Let us erect them first; then let us call in the aid of the painter, the sculptor, and the embellisher of every denomination, to finish the work, as taste, elegance, and experience shall suggest.

But, in all our proceedings, let us beware, lest, under the specious pretext of utility, expediency, or the like, we ever run counter to the laws of nature, for the law of nature is the law of God, which, neither by societies nor by individuals, can ever be violated with impunity. Let us observe, with the utmost attention, the innate tendencies of the human mind, and the essences of that material world which abounds with all that is necessary to sustain, in health and comfort, the body, and in active and delightful employment, the mind, of man; and which is rich enough to afford to every man the entire quantity of that happiness which his mortal nature is capable of enjoying, or could attain, even were itself, and all that is within it, at his individual command.

I cannot, perhaps, better conclude this work than by requesting every individual reader of it to consider the foregoing pages rather as a *prospectus* of a proposed national undertaking, *in the furtherance of which he himself is directly interested, and towards the furtherance of which he can certainly do something, and perhaps much*, than as a mere treatise, intended to convey information to the mind upon a particular subject.

It has been the general fate of important discoveries to lie dormant for a century—for one age to make, and for the next, or next, to apply them. And during the reign of ignorance, and difficulty of circulating knowledge, it was very natural that it should be so. But times have changed: the British press is free, and its powers are miraculous. To discover truth, and to declare it, is the business of individuals; to force it upon the public mind, and to advocate the adoption of the *practical measures* to which it is the index, is the especial office of the public press, which, in all that relates to the collective affairs of men, is omnipotent, whenever it zealously and perseveringly espouses the cause of truth. And extensive as is the object that is here contended for, and magnificent as would be the result of its accomplishment, *the public press of Great Britain and Ireland has only to speak the word, and it is attained.* To arouse the public to a due sense of the importance of the principle of exchange here developed, is the first step: only let this be done, and its practical adoption will speedily follow.

Let each reader of the Social System, then, make up his mind upon this subject, for as he thinks, so will he speak: and if the principle be sound, his advocacy or abuse of it will be of nearly equal assistance to the cause. I hold it to be a maxim, that a man can seldom speak *of* that which is true, without speaking, however unwillingly, *for* it.

THE END.

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